

**MINUTES
WILKES COUNTY BOARD OF COMMISSIONERS
June 20, 2023**

PUBLIC HEARING – RE-ZONING FOR 230 LARKINS LITTLE MTN. ROAD BOOMER, FERGUSON TOWNSHIP (FROM H-B HIGHWAY BUSINESS TO R-20 RESIDENTIAL) – Chairman Elmore declared the Public Hearing open regarding the Re-zoning of 230 Larkins Little Mtn. Road, Boomer, Ferguson Township at 5:03 P.M. on Tuesday, June 20, 2023 with the following members present: Chairman Keith Elmore, Vice Chairman Stoney Greene, Commissioner Casey Joe Johnson, Commissioner Bill Sexton, and Commissioner Greg Minton.

Also present were Tony Triplett, County Attorney; John Yates, County Manager; W.C. Scroggs, Planning Director; Brooke Felts, Assistant County Attorney; and Sarah Call, Clerk to the Board.

Chairman Elmore asked if anyone would like to speak regarding the proposed re-zoning of 230 Larkins Little Mtn. Road, Boomer, Ferguson Township from H-B to R-20. Hearing no further comments on the proposed re-zoning, Chairman Elmore declared the Public Hearing closed at 5:04 P.M.

PUBLIC HEARING – RE-ZONING FOR 165 LARKINS LITTLE MTN. ROAD BOOMER, FERGUSON TOWNSHIP (FROM H-B HIGHWAY BUSINESS TO R-20 RESIDENTIAL) – Chairman Elmore declared the Public Hearing open regarding the Re-zoning of 165 Larkins Little Mtn. Road, Boomer, Ferguson Township at 5:04 P.M. on Tuesday, June 20, 2023 with the following members present: Chairman Keith Elmore, Vice Chairman Stoney Greene, Commissioner Casey Joe Johnson, Commissioner Bill Sexton, and Commissioner Greg Minton.

Also present were Tony Triplett, County Attorney; John Yates, County Manager; W.C. Scroggs, Planning Director; Brooke Felts, Assistant County Attorney; and Sarah Call, Clerk to the Board.

Chairman Elmore asked if anyone would like to speak regarding the proposed re-zoning of 165 Larkins Little Mtn. Road, Boomer, Ferguson Township from H-B to R-20. Hearing no further comments on the proposed re-zoning, Chairman Elmore declared the Public Hearing closed at 5:05 P.M.

PUBLIC CONCERNS – None

The Wilkes County Board of Commissioners met on Tuesday, June 20, 2023 at 5:05 P.M. with the following members present: Chairman Keith Elmore, Vice Chairman Stoney Greene, Commissioner Casey Joe Johnson, Commissioner Bill Sexton, and Commissioner Greg Minton.

Also present for the meeting were Tony Triplett, County Attorney; John Yates, County Manager; and Sarah Call, Clerk to the Board.

Chairman Keith Elmore welcomed everyone and called the meeting to order at this time.

INVOCATION – Vice Chairman Stoney Greene led the Invocation.

PLEDGE OF ALLEGIANCE – Chairman Keith Elmore led the Pledge of Allegiance at this time.

APPROVAL OF MINUTES – Motion was made by Vice Chairman Stoney Greene, seconded by Commissioner Bill Sexton and unanimously adopted to approve the Minutes of the Budget Work Session held on May 31, 2023.

APPROVAL OF MINUTES – Motion was made by Vice Chairman Stoney Greene, seconded by Commissioner Bill Sexton and unanimously adopted to approve the Minutes of the Budget Work Session held on June 6, 2023.

APPROVAL OF MINUTES – Motion was made by Vice Chairman Stoney Greene, seconded by Commissioner Bill Sexton and unanimously adopted to approve the Minutes of the Board Meeting held on June 6, 2023.

BUDGET AMENDMENTS/TRANSFERS – Chairman Elmore asked to approve the Budget Amendments separately.

Motion was made by Commissioner Bill Sexton to approve Budget Amendment No. 34 (General – This budget request is for insurance reimbursement for damage from wind at the landfill \$26,752 and vehicle damage \$2,529. Register of Deeds has received a Preservation Grant \$4,166 for the preserving of records). The motion was seconded by Commissioner Casey Joe Johnson and unanimously approved.

Finance Director Chris Huffman stated Budget Amendments 35 and 36 are the same and requested to present them together.

Motion was made by Vice Chairman Stoney Greene to approve Budget Amendment No. 35 (Fire – Fire Districts – These Fire Departments collections were higher than projected in the current budget for a total of \$117,000); Budget Amendment No. 36 (Fire – Fire Districts – These Fire Departments collections were higher than projected in the current budget for a total of \$220,000). The motion was seconded by Commissioner Casey Joe Johnson and unanimously approved.

Chairman Elmore stated this is the one that concerns him and he would like them to explain it. Mr. Huffman said as they discussed in the first budget work session, they laid out plans and ideas going forward and discussed paying off the jail debt. If the Board chooses to do so, Budget Amendment 37 takes the funds out of fund balance (\$4,230,776) to accomplish this. He added they are also switching some budget funds (\$8,217), not from the fund balance, that the auditors found in FY 2022. They received an invoice after the year closed and it put them over and this will fix it, it's not a new expense.

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Commissioner Milton asked if they would give them the reasons why on this. Mr. Huffman introduced Chris Alexander, and said he is their financial advisor. Mr. Alexander stated on February 28th they discussed several things to put in place for the County to issue the next series of debt. One of the biggest concerns they heard from the Board was there is no interest in raising any kind of taxes to cover a new debt. Projected debt service for the new Administrative Building will be \$1.8 million per year, based on current rates. If they decide to do the Administrative Building and Health/DSS Building, the combined amount is roughly \$4.5 million. He added one thing they looked at was paying off the Jail debt, which has 5-years left (June 2028). Mr. Alexander stated another concern from that meeting was why are they looking to pay that debt off at a rate of 1.94%. He said think about going out to buy a house, you currently have a mortgage with 3-years left on it, you would be better off paying that mortgage off so that you don't have extended levels of debt during that time.

Mr. Alexander said he understands Chairman Elmore's concern, if the funds they have are earning 4% in the fund balance right now and only paying 1.94% on the loan. Chairman Elmore replied correct. Mr. Alexander said if they were to earn 4% for the next 5-years, that equals about \$700,000 in revenue from the \$4.225m. The problem is they are not going to get 4% on short term rates for the next 5-years. Chairman Elmore asked what are the projections. Mr. Alexander replied their internal chief economic officer expects it will be 4% for the next year; 3% the year after;; then it drops to 2.25%; then 2%. Chairman Elmore stated that is still above 1.9% and they would make money. Mr. Alexander replied correct, but they would immediately be saving all the debt service associated with paying off the Jail debt, which is \$245,000 over 5-years as well as any interest earnings for those funds. The \$700K in earnings when they net present value that back, it is worth \$560,000 depending on what inflation is going to be, which is unknown. If it stayed at 4% the entire time that is \$560K, but realistically they think the total earnings on the \$2.225m would be closer to \$360,000. That offsets the total interest less what they would have paid by paying the jail off early in the amount of \$245K. Additionally, whatever the earnings would be on the \$845,000 principal amount that they took out, they could now add back to the fund balance.

Mr. Alexander said if they look at everything on a net-net, if the County does three things: pay off the Jail debt; interest rates stay high; the County does not issue any debt. Mr. Huffman added they are planning to issue debt. If they were not going to issue debt and hit all three of these, they will lose out on about \$107,000 interest earnings over 5-years. Chairman Elmore stated this is worst case, if the interest rates stay up this number could increase to \$200,000 to \$300,000 and asked the best-case scenario. Mr. Alexander said this is best case, the worst case would be significantly lower. He added historically short end to long end of the yield curve is 250 basis points (bp) from a 1-year maturity to a 30-year maturity. If in 2-years they are looking at issuing new debt, they will not be able to afford it at 25 years, it would be at 7.5% to 8%. If the thought process is the short-term rate will stay at 4% for 5-years that means your borrowing rate will be 250 bp higher at 6.75% to 7.25%. Chairman Elmore said they could take out a new loan now, they can afford it. Mr. Alexander said the benefit of doing this keeps the County's debt service at a lower rate, so they can come back at a later time and add on the next level of debt service. Chairman Elmore said their debt service is very low. Mr. Alexander replied as of the end of 2022 the debt as a percentage of assessed valuation is .048%. They are the third highest of their

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working group. Their debt service as a percentage of expenditures is very low at 3.74%, but because they have not gone through an assessed value change for the past few years, that percentage is higher than the peer group. He added Surry, Caldwell, Rutherford, and Stanley have all done revaluations in the last few years, which brought their numbers down and Wilkes went up. This year after the EMS facility debt is added, the debt as a percentage of expenditures will go to a little over 5%. Once the debt for the next building is added it will be 7.5%, if they issue a debt for DSS/Health it will be near 9%.

Chairman Elmore said he is telling them to pay off the 1.94% loan to take on a 4.50% loan. Mr. Huffman added the thought process in February when they begin this discussion was not about taking out a new loan, it was to take advantage of paying this off early. If the Board chose to take out a loan, they would have freed up those funds to apply to the new project debt. Chairman Elmore said things have changed since February, they are losing several hundred thousand dollars, he has an issue with this. They have free money out there and would pull out of fund balance to pay it off. Mr. Alexander said in one year if rates drop back down to 125 bp like they were a year ago, they will be underwater again and could lose any potential savings. Commissioner Minton stated in summary, if they pay off the Jail debt now, that puts them in a better position to borrow new money on the next project; they can only speculate what that percentage is going to be. Mr. Alexander said correct, and being proactive with their debt and understanding the implications of taking on a new debt and the long-term planning associated with that, looks very good in the eyes of the rating agencies. Mr. Alexander said he ran a model based on two debt issuances; one for \$20m admin building and the other for \$33m DSS/Health. If they were to get a rating upgrade, it could be worth as much as 5 bp; 5 bp on the value of this debt is worth over \$500k. Chairman Elmore asked their current rating. Mr. Alexander replied AA3, the best rating is AAA, you are very strong.

Chairman Elmore said he has an issue paying off at 1.94%, this is why the Board wanted to discuss this and hear from the experts. Mr. Huffman added this is the first option they have had to pay this off, they negotiated this buyout to June 29th. They have never been in a place where they had the fund balance and opportunity to pay it off early. Mr. Alexander added the fund balance will remain the second highest in the peer group even after, if they decide to do this. Vice Chairman Greene said worst case scenario over 5-years \$100k; \$20k per year. Mr. Alexander replied yes in net present value dollars, but it is not \$20k per year; it's more like \$80k the first year, \$30k second year, and it goes down significantly after that. Chairman Elmore said this is speculation. Mr. Alexander said this is based on the 4% now then dropping to 3%, 2.25%, and 2% over the 5-years. Over the last 15 years the average interest rate for the NC Capital Managers Trust has been under 125 bp, from 2008 forward. Chairman Elmore asked has it ever dropped under 2%. Mr. Huffman replied yes, 18 months ago they were earning 0.10%.

Chairman Elmore said the numbers than can absolutely count on is the \$4.225m will earn 4% for the next year, which is about \$160k correct. Mr. Alexander said these rates change weekly and monthly. They use short term earnings and they are good for 2 weeks to 1 month, they are not entering into an agreement for 1, 2, or 5-year period and are not guaranteed anything past a few months. Chairman Elmore said they projected \$160k earnings was that not based on 4%. Mr. Alexander said yes the \$4.225 added to the fund balance would earn \$160k assuming 4% pulls

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through the year and that is the projection for this year. Chairman Elmore said why can't they pay this off next year. Mr. Huffman said they would have to renegotiate it, this is the first opportunity they have had. Chairman Elmore said does he see a reason why they can't do that. Mr. Alexander added it is the Board's decision, they can go back and restart the negotiation, but it will go past the end of this fiscal year. They bank wants it refunded within 30 days of when a payment is due. Mr. Huffman added another key factor is this payoff has no penalty, it should be 5% which is \$235k. Mr. Alexander added because they are upside down on the interest rate they have waived this. Chairman Elmore said if he were the bank he would waive it too, this makes sense for the bank. Mr. Huffman said they will not waive this prepayment penalty if the rates were not what they are today. He added when this was discussed at the work session they were looking at only taking debt off the books to be in a better position to issue new debt.

Vice Chairman Greene stated 5% on \$4m is \$200k they would be penalized possibly, they are saving \$246k, they are almost at \$450k there. Mr. Alexander said if they go out a year, and make the payment on June 1, 2024 the prepay penalty goes down to 4%. They can go back and ask them to negotiate, but the reason they are waiving the 5% prepay now is the difference in rates, if they fall to 3% next year, they may not be willing to do that. He added it is a window of opportunity, there are risks, there is a risk that the County could lose \$107k in net present value dollars.

Commissioner Sexton asked if they are recommending them to do this. Mr. Alexander replied if they plan to issue debt, this will put them in a better position to do that. All their ratios will be better, and the debt could be upgraded. This is important because there are fewer banks willing to do private placement for local governments long-term, 5 years ago there were several that would go 20 years on debt, today there are 2 willing to go 20-year fixed rate for local municipalities. He added this limits them in the new debt, they will need to look at going to the public market to get the bids required, it is not as competitive and rates are higher. He added if this continues they will have to look at bidding in the public market and it is highly dependent on what their rating is. They will be benefitted or hurt based on the debt ratios vs. their peer group. Mr. Alexander said if they plan on issuing debt, he recommends this.

Chairman Elmore asked would they be better to take the \$4.22m and apply it to the next debt that will be at 4%-5%. Mr. Alexander said one of the issues is the State requires them to have annual level principal payments for any new debt. They bring in \$4.225m in equity and decrease the amount, the loan goes from \$20m down to \$16m amortized over 20 years. They went from an annual principal payment of \$1m down to \$800k, but they have done nothing for the Jail debt, that payment is still there. There will be some interest savings, but it will not help with debt service. Chairman Elmore stated he appreciates the decision and them being here.

Motion was made by Vice Chairman Stoney Greene to approve Budget Amendment No. 37 (General – This budget request is to allocate \$4,230,776 from Fund Balance to pay off the Jail Debt. There is no prepayment fee. By paying this debt off early the county will save \$245,000 in interest cost. This request will leave the Unassigned Fund Balance around \$28,000,000 with the forecast of increasing the fund balance when the FY 2023 is closed. Also requesting to reallocate unused funds of \$8,217 from heating Oil/Gas expense line to cover an expense in the

Covid Recovery Fund from FY 2022). The motion was seconded by Commissioner Bill Sexton. Voting on the motion:

Ayes: Vice Chairman Stoney Greene
Commissioner Casey Joe Johnson
Commissioner Bill Sexton
Commissioner Greg Minton

Nays: Chairman Keith Elmore

Motion was made by Commissioner Casey Joe Johnson to approve Budget Amendment No. 38 (General – Covid Recovery – This request is to transfer unused general funds of \$8,217 to the Covid Recovery Fund to cover an expense from FY 2022). The motion was seconded by Vice Chairman Stoney Greene and unanimously approved.

WILKES COUNTY INSPECTIONS DEPARTMENT – 2023 FIREWORKS PERMIT APPLICATIONS – APPROVAL – Chairman Elmore welcomed and recognized Niki Hamby Fire Inspector. Mr. Hamby thanked the Board and stated they have received three applications and are asking for approval of three Fireworks Displays for: Mt. Pleasant Baptist Church on June 24; Oakwoods Country Club on July 3; and Memorial Park on July 4. These applications have been approved by he and Jacob Patrick and meet the County requirements.

Vice Chairman Stoney Greene made a motion to approve the 2023 Fireworks Display Permit Applications for Mt. Pleasant Baptist Church, Oakwoods Country Club and Memorial Park as presented at tonight’s meeting. The motion was seconded by Commissioner Casey Joe Johnson and unanimously approved.

PLANNING DEPARTMENT:

1. a. RE-ZONING REQUEST – 230 LARKINS LITTLE MTN. ROAD, BOOMER, FERGUSON TOWNSHIP – Chairman Elmore welcomed W.C. Scroggs, Planning Director. Mr. Scroggs stated during its regular meeting of April 24, 2023, the Wilkes Joint Planning Board approved a re-zoning request filed by Lowell Dean and Sue B. Parker for property owned by them in Ferguson Township, Wilkes County, North Carolina, located at 230 Larkins Little Mtn Rd, Boomer, NC 28606. The Planning Board recommended this matter be set for Public Hearing and the proposed re-zoning be approved. Pursuant to the Wilkes County Zoning Ordinance and N.C. General Statutes the notification standards have been met, the Public Hearing has been held and the Planning Department is requesting approval from the Board for the proposed re-zoning.

Vice Chairman Stoney Greene made a motion to approve the re-zoning request for Lowell Dean and Sue B. Parker property located at 230 Larkins Little Mtn. Road, Boomer, Wilkes County, North Carolina, which is currently zoned H-B (Highway Business) to R-20 (Residential), as

presented and requested. The motion was seconded by Commissioner Casey Joe Johnson and unanimously approved.

1. b. RE-ZONING REQUEST – STATEMENT OF REASONABLENESS –

Assistant County Brooke Felts said the Statement of Reasonableness is a statutory requirement that must accompany re-zoning by the County Commissioners as required under Chapter 160D. She said it is required that the Board approve this separately from the re-zoning. Mr. Triplett added he and Ms. Felts both worked with W.C. Scroggs on this and the Statement lists the reasons behind this particular re-zoning and since there were no comments at the Public Hearing it is ready for the Board's approval, if they are inclined to do so.

*N.C.G.S. §160D-605 STATEMENT BY
WILKES COUNTY BOARD OF COMMISSIONERS APPROVING RE-ZONING OF
THE LOWELL DEAN AND SUE B. PARKER PROPERTY IN FERGUSON TOWNSHIP,
WILKES COUNTY, NORTH CAROLINA, FROM H-B (HIGHWAY BUSINESS) TO R-20A
(RESIDENTIAL)*

THE WILKES COUNTY BOARD OF COMMISSIONERS has on this date adopted a zoning amendment, approving the recommendation of the Wilkes Joint Planning Board that the property owned by Lowell Dean Parker and wife, Sue B. Parker in Ferguson Township, Wilkes County, North Carolina, located at 230 Larkins Little Mtn Rd, Boomer, NC 28606, on the south side of N.C. Highway 268, consisting of 7.5 acres, more or less, being identified on the records of the Wilkes County Tax Mapping Office as Parcel ID #0200003, and being more fully described in that Deed recorded in Book 1222, Page 306, Wilkes County Registry, which is currently zoned H-B (Highway Business), be re-zoned to R-20A (Residential).

The Board of Commissioners agrees with the findings of the Wilkes Joint Planning Board that this tract, on which a residence has been located since 1979, has for unknown reasons been zoned H-B, despite the fact that the tract has been continuously used for residential purposes. The Planning Board also found that property directly across from this tract on the north side of N.C. Highway 268 is also zoned R-20A, and that the general character and use of property adjoining N.C. Highway 268 in this area is residential in nature.

Accordingly, the Board of Commissioners finds, pursuant to G.S. §160D-605, that although Wilkes County has not officially adopted a comprehensive zoning plan, the proposed re-zoning in this case is consistent with the current and historical use of the subject property, is consistent with other zoning requirements currently in place in the area affected by the re-zoning, and is consistent with the goals and purposes of the Wilkes County Zoning Ordinance and with the existing uses of the properties in the surrounding area and district. The Board of Commissioners further finds that the proposed re-zoning is reasonable based on the following factors: the benefit to the landowners will be considerable and the overall impact on the neighbors and surrounding community will be neutral, the current actual development on the tract is more closely related to the permissible development under the proposed amendment than at present, and the proposed amendment is in the public interest.

ADOPTED this the 20th day of June, 2023.

WILKES COUNTY BOARD OF COMMISSIONERS

ATTEST:

Sarah Call, Clerk

Giddeon Keith Elmore, Chairman
Wilkes County Board of Commissioners

Commissioner Casey Joe Johnson a motion to adopt the N.C.G.S. §160D-605 Statement by Wilkes County Board of Commissioners approving the re-zoning request for Lowell Dean and Sue B. Parker property located at 230 Larkins Little Mtn. Road, Boomer, Wilkes County, North Carolina, which is currently zoned H-B (Highway Business) to R-20 (Residential), as presented and requested. The motion was seconded by Vice Chairman Stoney Greene and unanimously approved.

2. a. RE-ZONING REQUEST – 169 LARKINS LITTLE MTN. ROAD, BOOMER TOWNSHIP – Mr. Scroggs stated during its regular meeting of April 24, 2023, the Wilkes Joint Planning Board approved a re-zoning request filed by the Estate of Ina H. Earp by Linda Earl McClure, Administrator for property owned in Ferguson Township, Wilkes County, North Carolina, located at 165 Larkins Little Mtn Rd, Boomer, NC 28606. The Planning Board recommended this matter be set for Public Hearing and the proposed re-zoning be approved. Pursuant to Wilkes County Zoning Ordinance and N.C. General Statutes the notification standards have been met, the Public Hearing has been held and the Planning Department is requesting approval from the Board for the proposed re-zoning.

Commissioner Greg Minton made a motion to approve the re-zoning request for Estate of Ina H. Earp property located at 165 Larkins Little Mtn. Road, Boomer, Wilkes County, North Carolina, which is currently zoned H-B (Highway Business) to R-20 (Residential), as presented and requested. The motion was seconded by Vice Chairman Stoney Greene and unanimously approved.

2. b. RE-ZONING REQUEST – STATEMENT OF REASONABLENESS –

*N.C.G.S. §160D-605 STATEMENT BY
WILKES COUNTY BOARD OF COMMISSIONERS APPROVING RE-ZONING OF
THE INA H. EARP PROPERTY IN FERGUSON TOWNSHIP, WILKES COUNTY, NORTH
CAROLINA, FROM H-B (HIGHWAY BUSINESS) TO R-20A (RESIDENTIAL)*

THE WILKES COUNTY BOARD OF COMMISSIONERS has on this date adopted a zoning amendment, approving the recommendation of the Wilkes Joint Planning Board that a portion of the property owned by the Estate of Ina H. Earp in Ferguson Township, Wilkes County, North Carolina, located at 165 Larkins Little Mtn Rd, Boomer, NC 28606, on the south side of N.C.

Highway 268, consisting of 31.84 acres, more or less, being identified on the records of the Wilkes County Tax Mapping Office as Parcel ID #0200005, and being more fully described in that Deed recorded in Book 254, Page 165, Wilkes County Registry, which is currently zoned H-B (Highway Business), be re-zoned to R-20A (Residential).

All of that portion of the above described property which is presently zoned H-B (Highway Business) is to be re-zoned from H-B (Highway Business) to R-20A (Residential).

The Board of Commissioners agrees with the findings of the Wilkes Joint Planning Board that this tract, on which a residence has been located since 1930, has for unknown reasons been partially zoned H-B, despite the fact that the tract has been continuously used for residential purposes since before the zoning was adopted. The Planning Board also found that this tract is adjoined on the north, northeast, and northwest by a district already zoned R-20A, that property directly across from this tract on the north side of N.C. Highway 268 is also zoned R-20A, and that the general character and use of property adjoining N.C. Highway 268 in this area is residential in nature.

Accordingly, the Board of Commissioners finds, pursuant to G.S. §160D-605, that although Wilkes County has not officially adopted a comprehensive zoning plan, the proposed re-zoning in this case is consistent with the current and historical use of the subject property, is consistent with other zoning requirements currently in place in the area affected by the re-zoning, and is consistent with the goals and purposes of the Wilkes County Zoning Ordinance and with the existing uses of the properties in the surrounding area and district. The Board of Commissioners further finds that the proposed re-zoning is reasonable based on the following factors: the benefit to the landowners will be considerable and the overall impact on the neighbors and surrounding community will be neutral, the current actual development on the tract is more closely related to the permissible development under the proposed amendment than at present, and the proposed amendment is in the public interest.

ADOPTED this the 20th day of June, 2023.

WILKES COUNTY BOARD OF COMMISSIONERS

ATTEST:

Sarah Call, Clerk

Giddeon Keith Elmore, Chairman
Wilkes County Board of Commissioners

Commissioner Greg Minton a motion to adopt the N.C.G.S. §160D-605 Statement by Wilkes County Board of Commissioners Approving re-zoning request for Estate of Ina H. Earp property located at 169 Larkins Little Mtn. Road, Boomer, Wilkes County, North Carolina, which is currently zoned H-B (Highway Business) to R-20 (Residential), as presented and requested. The motion was seconded by Vice Chairman Stoney Greene and unanimously approved.

TAX DEPARTMENT – SERVICE CONTRACT FOR REVALUATION – Chairman Elmore recognized Will Lankford, Tax Administrator. Mr. Lankford stated this is a service contract for an independent contractor to assist them with the 2025 revaluation. He added the term is from today until the end of 2025, that will give them the option to help with appeals if needed. This contract will not exceed \$500,000, but it is not a set contract for that amount, it is based on the amount of help they need. Chairman Elmore asked can they cancel with 30-days' notice. Mr. Lankford replied yes at any time. Vice Chairman Greene asked what other counties have used this contractor. Mr. Lankford replied they are the largest in the state, they have worked with 47 other counties in the last 5 years. Mr. Yates added they just completed Watauga County's revaluations, and their County Manager highly recommended them. Mr. Lankford said they are very good and have all the training needed and will be much more efficient on analysis than his staff. The tax staff is young and inexperienced, only one in addition to him has been through a revaluation.

Vice Chairman Greene asked if the staff will work alongside them or will they work independently. Mr. Lankford replied they could work alongside them, but most likely they will work with their team and the County staff will do the same. The contractor will focus more on the commercial evaluations rather than the residential, his staff will focus their field work more on residential. He added they can work in any capacity and will dispatch any employee needed. Vice Chairman Greene said they want to make sure the citizens know they are getting a fair rate in the revaluation. Mr. Lankford replied in a revaluation they have to use the sales from within this county, they cannot look outside the county for values analysis and cannot pull adjoining county's data to set theirs. It must come from within Wilkes County. He will oversee the project, they will work for us, they are not working for them. Watauga County turned their process over completely to this contractor and they handle it for them full-time on a daily basis. They have a lot of experience. Mr. Lankford said they will help them compile the data to make sure the numbers are as accurate as possible based on qualified sales within this County since January 1, 2019.

Chairman Elmore asked when the new values go into effect. Mr. Lankford replied January 1, 2025 and will affect the tax bills that go out in August 2025. Chairman Elmore said the 2025-2026 budget will have the adjusted rate and new values. Mr. Lankford replied yes.

Commissioner Casey Joe Johnson made a motion to approve the Service Contract for the Revaluation, as presented at tonight's meeting. The motion was seconded by Commissioner Greg Minton and unanimously approved.

MT. PLEASANT CONVENIENCE CENTER – LEASE AGREEMENT – Assistant County Attorney Brooke Felts stated before the Board is an updated Lease Agreement for the property leased from Opal Hamby for the Mt. Pleasant Convenience Center. She added the previous agreement expired many years ago, this is a new lease along the same terms with a few changes: the rent has increased by \$100 to \$600 per month; the lease will now be an annually renewing term lease; and it can be terminated with 30-days' notice. Vice Chairman Greene asked how long was this convenience center at the previous rate. Ms. Felts replied the previous lease was recorded in June 1998 at a rate of \$200, at some time between then and now the rent increased to

\$500. Mr. Triplett added he does not know when or how that happened. Commissioner Sexton asked how much space is it. Ms. Felts replied she is unsure of the acreage. Mr. Triplett added it is a fairly small space, but has remained the same since 1998. Anderia Byrd stated it is 100 x 100 feet square and includes only what is fenced in. Commissioner Sexton added that seems sort of high for this space. Commissioner Johnson asked the volume at this site compared to the other convenience centers. Ms. Byrd replied the Mt. Pleasant and Mt Carmel sites pull in the most revenue and have the most customers. Vice Chairman Greene added he goes to the Mt. Pleasant site and no matter what time they go, it is always busy. Chairman Elmore agreed, it is a great site location on Hwy 421, they are lucky to have it. It is hard to find a site, they have had other sites and had to go back and shut them down due to complaints.

Commissioner Casey Joe Johnson made a motion to approve the Lease Agreement for the Mt. Pleasant Convenience Center as presented at tonight's meeting. The motion was seconded by Vice Chairman Stoney Greene and unanimously approved.

WILKES COUNTY BOARD OF COMMISSIONERS SCHEDULED MEETINGS – CANCEL JULY 18, 2023 MEETING – Chairman Elmore stated the Board normally cancels the second meeting in July.

Vice Chairman Stoney Greene made a motion to cancel the July 18, 2023 meeting of the Wilkes County Board of Commissioners. The motion was seconded by Commissioner Casey Joe Johnson and unanimously approved.

ADJOURN – Motion was made by Vice Chairman Stoney Greene, seconded by Commissioner Casey Joe Johnson and by unanimous vote adopted to adjourn the meeting of the Wilkes County Board of Commissioners at 5:56 P.M.

Sarah D. Call, Clerk

Giddeon Keith Elmore, Chairman

WILKES COUNTY BOARD OF COMMISSIONERS

Approved: July 6, 2023