CITY OF LAURINBURG
CITY COUNCIL MEETING
FEBRUARY 21, 2023
CITY HALL AND POLICE DEPARTMENT
303 WEST CHURCH ST.
6:00 p.m.

Minutes

The City Council of the City of Laurinburg held its regular meeting on Tuesday, February 21, 2023, in the Council Chambers of the City Hall and Police Department at 6:00 p.m. with the Honorable James T. Willis, Mayor, presiding. The following Councilmembers were present: Mary Jo Adams, Mary Evans, Rosemary Rainer, Barbara Rogers, and Andrew G. Williamson, Jr.

Also present were Charles D. Nichols III, City Manager; William P. Floyd, Jr., City Attorney; Harold W. Haywood, City Clerk; Susan K. Coble, Deputy City Clerk.

Mayor Willis called the meeting to order at 6:00 p.m. Councilmember Rogers gave the Invocation and led the Pledge of Allegiance.

APPROVAL OF AGENDA

The city manager stated that there is one addition to the agenda for a council action to be added to item 7 for the amendment to the audit contract.

Councilmember Rainer moved to approve the agenda with the action addition to item 7, with second by Councilmember Adams and the vote was unanimous.

RECOGNITION OF RETIREE

Mayor Willis recognized retiree Jennifer (Jenny) A. Tippett, by reading aloud the wording on the retirement plaque presented to Ms. Tippett on her last day of employment on January 31, 2023, as follows:

PRESENTED IN RECOGNITION AND SINCERE APPRECIATION TO

JENNIFER (JENNY) A. TIPPETT
CITY CLERK

OCTOBER 1999 – JANUARY 2023

In special tribute for over 23 years of dedicated public service as an employee of the City of Laurinburg. Jenny was hired on October 4, 1999, as an Administrative Support Assistant in the Community Development Department. She took an Oath of Office and became the Administrative Support Assistant/Deputy City Clerk on July 17, 2000; and then was promoted and took an Oath of Office as City Clerk on December 30, 2011, where she remained until her retirement on January 31, 2023. Jenny is certified as a North Carolina Certified Municipal Clerk from the North Carolina Association of Municipal Clerks and a Master Municipal Clerk from the International Institute of Municipal Clerks. During her long tenure with the City of Laurinburg, Jenny was instrumental in the implementation of the Laserfiche electronic records management system, provided critical support in the transition between City Managers, safeguarded all of the City's public records during two office relocations while the new City Hall was being constructed, and lead the transition to electronic agenda distribution for the Council and Mayor, just to name a few of her many accomplishments and contributions to the City of Laurinburg. Jenny truly has a service-oriented and compassionate heart, as she strived to the best of her ability to help all residents with their needs and concerns.

The Mayor and the Laurinburg City Council express their sincere appreciation for her unselfish professional service to the citizens of Laurinburg and this community. Her tenacity, strong work ethic, intense dedication, and extreme attention to detail ensured that the Office of the City Clerk was always held to a high standard and that all the regulations in the City Code of Ordinances were followed. Jenny dedicated her time and talents to the citizens of Laurinburg and is the epitome of a true public servant. She worked tirelessly and effectively to serve the citizens of this community and to make our City a better place to live for all the citizens of Laurinburg.

We wish her many more years of continued success in this next chapter of her life.

Presented this the 31st day of January 2023, by the Mayor and City Council.

Mayor James "Jim" Willis

Mayor Pro Tem Mary Evans — Councilmember Mary Jo Adams

Councilmember Rosemary Rainer — Councilmember Barbara Rogers

Councilmember Drew Williamson

PUBLIC COMMENT PERIOD

There was no one present to speak.

CONSENT AGENDA

Mayor Willis read aloud the Consent Agenda:

a) Consider minutes of January 17, 2023, regular meeting
b) Road closure for African Heritage Parade
c) Road closure for Habitat Run with the Knights Event
d) Consider Resolution No. R-2023-01, Findings of Fact for Special Use Permit at 126 S. Main Street
e) Consider Ordinance No. O-2023-02 to Condemn and Demolish Property at 722 S. Main St.

Councilmember Evans moved to approve the Consent Agenda. Councilmember Rainer moved to second the motion, and the vote was as follows:

Ayes: Adams, Evans, Rainer, Rogers, Williamson
Nays: None
(copy of Resolution No. R-2023-01 and Ordinance No. O-2023-02 on file in clerk's office)

PUBLIC HEARING

REQUEST FOR SPECIAL USE PERMIT TO ALLOW RESIDENTIAL CHILDCARE FACILITY AT 1703 STONEWALL RAOD

Mayor Willis opened the public hearing to consider a request for a special use permit to allow a residential childcare facility at 1703 Stonewall Road.

Mr. Mac McInnis, City Planner/Code Enforcement Officer, being duly sworn, explained that Mr. Terence Williams of New Will, LLC is requesting approval of a special use permit to operate a residential childcare facility at 1703 Stonewall Road. This type of facility is defined in the Unified Development Ordinance (UDO) as a staffed premise with paid or volunteer staff for children to continue to receive full time foster care. Upon approval of the special use permit, the zoning permit to operate a facility will be issued after the correct North Carolina State License has been issued, compliance with all fire codes, and all North Carolina State Building codes are met and approved. Mr. McInnis stated he would ask the city attorney to review the license once it is issued and then there will be an inspection by the Laurinburg Fire Department, as well as an inspection by Scotland County Building Inspections before a permit will be issued to operate.

Councilmember Rainer asked if social services would be involved with this. Mr. McInnis stated that he could not answer that question, but Mr. Williams may be able to provide that information.

Mr. JD Willis, being duly sworn, spoke on behalf of New Will, LLC asking for approval of this permit. Mr. Willis stated that they wanted to follow the existing zoning for this location and use it as a youth residential facility rather than a senior citizen facility as it was previously used. Mr. Willis stated that they would follow all the guidelines as the state requires. Mr. Willis stated that they had an engineering firm to go back and redraw the footage and floor plans of the facility since they could not find an existing one to make sure that everything was in code. Mr. Willis stated they have been working with the Fire Department and with the Scotland County Building Inspector and everything has been put in place.

Councilmember Adams stated she has some questions about the facility regarding the notes that they received from the Planning Board, that stated this would be a live-in, out of home, children residential facility. Mrs. Adams stated that these children are facing challenging complex behavior and mental health issues, and that the children could be coming from surrounding counties. Mrs. Adams stated that she understands that there is a great need for this type of facility but questioned if it is considered like in the foster system, Level I, Level II or Level III.

Mr. Willis stated that the State would determine what level to operate at. Mr. Willis stated they are basically looking at Scotland, Robeson, and Hoke County mainly for where the kids would come from, however, they could come from other places as well. Mr. Willis stated that there is a high number of youths that do not have a place to sleep and a lot of them do not know where they will sleep from one day to the next. He stated that they wanted to operate this facility to fill that void.

Councilmember Adams stated that her background is in the juvenile court system with the school system. Mrs. Adams stated her concern relative to the impact on the school system and if these children will be enrolled in the Scotland County School District. Mr. Willis stated that residents at this facility that are currently enrolled in the school system will continue to be enrolled in the school system and the other children will be home-schooled.

Councilmember Rainer questioned if "home-schooled" meant the children will be home schooled at the facility. Mr. Willis stated that that was correct, and that they would follow the state guidelines set by the Department of Public Instruction.

Councilmember Adams stated that since they were working with social services, it would be considered foster care, therefore, she would like to have someone from the school system to come and speak, since it could impact the school. Mrs. Adams is concerned that the council will end up in the same situation they were in back in the fall with another request. Mrs. Adams stated that was a different request, but it still impacted the schools.

Mr. Terence Williams, being duly sworn, stated that they are looking at operating a Psychiatric Residential Treatment Facility. These facilities accommodate levels of children within the mental health and or disciplinary system. Mr. Williams stated they would be providing respite care, which would allow them to assist social services in placing the children as they transition from one place to another. Mr. Williams also stated that these children are not a part of the Scotland County School District, but the design of the facility is to provide not only mental health services, but also educational platforms as well. Mr. Williams stated that the children will not have any impact on the school district, as it is just to house the children that have been displaced.

Councilmember Rainer questioned if the children are currently home-schooled now. Mr. Williams stated that residential childcare facility will be a 24-hour facility and whatever time period that the children are allowed to be there, they have to not only provide the food and medical assistance, but they have to prepare an academic plan for the children as well. Mr. Williams stated the facility is an enclosed insular system that provides the social and emotional aspect in one facility for all that the children need to be successful. Mr. Williams stated they wanted to get them where they can be mainstreamed back into the regular public.

Councilmember Adams asked if once the children are transitioned to their county, or their home, if they would ever be enrolled in the Scotland County School District. Mr. Williams stated that he was not sure if the children would be enrolled with a school system or home-schooled. They want to ensure the facility is housing the kids and giving them the mental development, sustain the educational priorities, and then transition the children based on their personal care plan to be able to migrate to whatever system or district they are slated to go to, based on the school's discretion. Mr. Williams stated that they do have a mental health provider that they can collaborate with and will continue collaborating with Scotland County Schools and other areas. If those children should be a part of that process, then by all means they will have a greater capacity to make sure that the child is successful.

Councilmember Adams stated she did not understand the process involved in obtaining the certificate of need but questioned Mr. Williams if they have that now or when that would come into the process. Mr. Williams stated that because they are a mental health agency that certificate of need is not provided through the licensing process. The facility is licensed to be able to accommodate and provide these services inside the State of North Carolina. Mr. Williams stated that they are licensed through the State of North Carolina but are in the governors of the East Point System. The need of the state is huge and, as of right now, the state is having to migrate kids outside of the state, such as Virginia, Tennessee, Georgia and are now being displaced in other areas outside of our state because there is a lack of facilities that are now available. Mr. Williams stated they do have the endorsement of April Snead with Scotland County Social Services and she knows that this is one of the greatest needs due to children sleeping at the social services facility in the care of social workers because there is not a facility to house them. This facility will help house these children from sleeping in uninhabitable conditions and help prevent that from happening.

Councilmember Adams questioned if there are other facilities similar this proposed one. She stated that she feels like she does not have enough information to make a sound decision. Mrs. Adams stated that she would like to hear from April Snead and someone from the school system or at least give them an opportunity. She also stated that she did not reach out to Mr. Willis for any information on this due to it being a quasi-judicial hearing and it was not supposed to be discussed until the public hearing. Mrs. Adams stated she would just like to have some more information on the facility.

Mr. Williams stated that he wants Mrs. Adams to understand the facility, but this facility does not have anything directly to do with the local school system or school board. Mr. Williams shared that, as far as the needs, he is pretty sure that Ms. Snead would not have a problem with sharing information with them regarding the facility. Mr. Williams also proposed for the Council to come tour the facility. Mr. Williams shared that children are currently being relocated to Falcon NC, which means there are a number of facilities just like this one. Most of these other facilities are from a Christian or spiritual perspective, which now negates some of the certifications and the qualifications to be able to house because there is a separation between church and state. Mr. Williams stated they are looking at a partnership with the state through individuals that have Medicaid/Medicare type services to supplement their treatment.

City Attorney Floyd commented that the Council is not considering the facility itself, only the use of the facility. The facility will be licensed through the State of North Carolina, so the state will have to make the determination if the facility meets all the requirements. The Council would only be approving if it is an appropriate use with the condition that the facility is dully licensed by the State of North Carolina.

Councilmember Rogers stated that from what she understood is that it seems like there is an identified need in the children that are having issues with housing, and, because of that, Mr. Williams wants this facility to be able to meet that need. Mr. Williams responded absolutely. Mrs. Rogers also shared that it is her understanding that, as of right now, the facility can only provide afterschool care, but it cannot allow children to stay overnight at the facility without this type of approval. Mrs. Rogers stated the request is to be able to extend the capacity of the facility.

Councilmember Rainer asked how many children are expected to be housed in the facility. Mr. Williams shared that they have 38 rooms, which will provide about 76 beds. However, the plan is to operate the facility at 60% capacity with a staff of about 45 individuals for 3 shifts. Mr. Williams stated that capacity of 60% will allow about 62 children.

Councilmember Rogers asked if the state licenser would let them know exactly how many counselors are required. Mr. Williams expressed that the license would.

Councilmember Adams expressed that she is still unclear what children will reside at the facility. Mrs. Adams stated that if it is a Psychiatric Residential Treatment Facility, it's not just children that do not have a home. Mrs. Adams expressed if these are children that can't stay in the traditional foster home for whatever reason, and they cannot stay in their own home. Mrs. Adams shared that she is concerned that at any point these children from other counties will enter the school system. Mr. Willis expressed that the children will not go into the school system. Mrs. Adams expressed that she understood that when they start transitioning out then they would go into the school system. Mr. Willis replied that they will go back to their home, which would be wherever they came from that brought them to the facility.

Councilmember Rogers questioned Mrs. Adams if she is concerned with overloading our school system with children that have specific needs. Mrs. Adams shared that her concern is for any potential safety issue or any impact with the school system regarding this facility. Mrs. Adams stated that the board should do its due diligence and hear from the school system, since we did not do that with the last request that impacted them.

Councilmember Rogers questioned Mrs. Adams about what issue that she is anticipating that could possibly happen with the school system. Mrs. Adams replied that if there could be any type of safety issue with the children if they go into the school system. Mrs. Rogers asked if she was referring to the behavior or the proximity to the students in the facility. Mrs. Adams responded with the behavior and who is going to provide the support, but if they are staying at the facility, that is totally different.

Mr. Williams stated that the Scotland County School System has done a phenomenal job with their behavioral support capacity. They have now partnered with several outside agencies to

provide mental health services and they have counselors in all the schools, so they are somewhat doing the same thing that this facility will be doing. Mr. Williams stated that he doesn't want to be the spokesperson for the school system, but however interacting and moving with the school district, those counselors and behavioral support specialists, having met with Dr. Powell, they are trying to institute programs inside of the school systems from a mental health capacity. Mr. Williams understands the concerns but just wants to get clarity on Mrs. Adams' concern to understand if she is talking about children who have presented their plan of care. He stated these individuals are governed by social workers, they have staff that work with them, so literally they do have person care plans that they have to complete.
He explained that there is a team of individuals that will bring the children in and then transition them out. Mrs. Snead expressed to him that she is excited that they will be located less than a mile from the Department of Social Services and that this will assist with having any problematic children. Mrs. Adams expressed that she is not saying there is not a need.

Mr. JD Willis stated the facility will not have an impact on the school system in relation to Mrs. Adams concern.

Councilmember Evans shared that she understands the concern of Mrs. Adams because, last month, the board had an organization that wanted to make an establishment of something similar and she wants to make sure that all the connecting pieces are there. She also expressed that the concept is great but someone else can make a similar request with the same concept. She questioned what the councilmembers must stand on to give the permission to go forth if it only has little information they must go on. Mrs. Evans assumes that Mrs. Adams is asking that either have a letter of support or have those in support come and speak on your behalf before the council.

Mr. Williams reenforced that they must go through an in-depth licensing process that will ensure they have medical providers, therapists, clinical doctors from a PHD to an MD. This is not a fly-by-night initiative, rather is an initiative that will have to follow a lot of compliance and government insight and oversite. Mr. Williams stated they are not just asking to use the building as an overnight establishment to house problem children, rather they want to a part of the solution. Through the licensing process, Mr. Williams encourages the council to look at all that is entailed to being licensed. He expressed it is an enormous process, to even include the city planning department making sure that the building is going to follow the engineers and fire department requirements.

City Attorney Floyd stated that based on the testimony that is before the council, the school system is not involved in the case, so they would not have grounds to stand and testify in this case. Councilmember Rogers stated that the council is coming off a situation that has made the council very hyperaware of how well the council is communicating across the board in parties that may be involved, but it is clarifying that, in an official sense, the school board is not involved in what you are asking to do. Mrs. Rogers did express that she understands that the facility and school system would be partners because you are dealing with children. Mrs. Rogers stated the concern is valid because we have had a situation in that the school board was not notified and it created an issue that they could not do anything about, so it is worth the conversation and being aware, but she does understand that they are two separate entities that will work together.

Mr. Willis stated that he just wanted to make it clear that this is the first step in the process, but after this step, the state would dictate everything else after going forward.

Councilmember Evans expressed that locally the City of Laurinburg would be playing a role in this as well.

Attorney Floyd stated that the council is approving the facility as a residential childcare facility and if the property is suitable for that use in that particular zoning district at this location. Mr. Floyd reiterated that is what the council is deciding tonight and not if it meets the state standards for safety. He reminded the council that the special use permit will not be issued until the facility has the license in hand from the state to then present to the city.

Councilmember Williamson expressed that he understands the concern of Mrs. Adams, and the past situation has made everyone hypersensitive, and that Mr. Floyd has done a great job of reminding the council what its role is in these quasi-judicial proceedings. Mr. Williamson stated he was prepared to make a motion if everyone else was ready to do so.

Mayor Willis also wanted to make everyone aware that the planning board did pass this unanimously.

Councilmember Evans inquired if the sprinkling system was already installed and intact. Mr. Willis stated that the sprinkling system is not required for the facility.

Councilmember Rogers inquired again on the capacity of the facility being at 60%. Mr. Williams stated that 60% capacity is the anticipated number of children, but they would also be required to ensure that they had the proper ratio of staff versus children to accommodate the children. Mr. Williams stated that the 60% operating capacity would be ideal for the location. Mrs. Adams expressed that in the information the council received, it was 34-37 children, and if Mr. Williams meant it would be 60% of that number. Councilmember Rainer informed the council that the information in the packet stated it was 38 beds times 2, so that would be 76, and assumed the facility would operate at 60% of that. Mr. Williams informed Mrs. Rainer she is correct.

Mayor Willis asked if there was anyone else that wanted to speak to this matter before a motion was made and invited anyone up to be sworn in.

Lisa Wilson, being duly sworn, informed the council that she lives directly across the street from the facility in question. Mrs. Wilson expressed that she received a letter in the mail concerning this request, and she wanted to come and ask a few questions on behalf of the neighbors in the area. Mrs. Wilson stated that several of the neighbors wanted to know how the facility would impact the neighborhood since it would be housed with children with behavioral issues. She asked if there would be security surveillance 24 hours a day watching the children. She expressed that several of the citizens from the neighborhood could not attend the public hearing due to scheduling conflicts but that was everyone's concern. She informed the council that she works with the school system, so she understands the points made by the council. Mrs. Wilson stated that she understands the difference between Level II and Level III and knows that when it comes to Level III, someone must be awake all night monitoring the children.

Mr. Williams informed everyone that the facility would be operating 24 hours a day, 7 days a week. He reassured the council and Mrs. Wilson that the facility will always have a great deal of security presence to monitor the children. Mr. Williams stated that the facility is gated all the way around the premises and that they will have a staff of 45 individuals that would average 15 staff members per shift. He further explained that during the shift no staff member will be allowed to sleep at the facility and would work an 8-hour shift that would transition at 6 hours for shift change. He commented that the security staff would not only patrol the inside of the facility but would patrol the grounds outside the facility as well around the clock.

Mayor Willis asked Mrs. Wilson if she had any my concerns or questions that she would like for Mr. Williams to answer. Mrs. Wilson responded that the neighborhood is just more concerned with the security level of the facility. She asked if the facility would be set up like a juvenile detention center or how. She expressed that the citizens of the neighborhood just did not have a lot of information and that was the biggest concern.

Mr. Williams expressed that the facility would not be set up as a juvenile detention center because it is not considered that at all. He explained that, in the beginning of the process, there was an issue with the name because they wanted to name the facility a residential resort, but the name portrayed that there would not be any type of treatment taking place at the facility under that name. He continued to say the atmosphere of the facility will be designed to give the children a sense of comfort and humanity so that they can help remove the trauma and nightmare from the children that have been displaced for whatever the reason. Furthermore, he stated that, as of right now, the name that is proposed is "Rockhaven is Rescuing Our Children" for a safe haven residential facility. He expressed that is exactly what they are wanting to do. He described the rooms as having their own televisions, gaming systems, beds, etc. Mr. Williams informed the council and citizens that the facility alone has already been an asset to the City of Laurinburg with the taxes that it has paid. He understands that the facility is tough to weigh-in on, but it will be a great asset to the community. Mr. Williams informed the council that there are already two group homes for the adult population on the corner in this neighborhood in already established locations, so the neighborhood is already accustomed to these types of facilities.

Mayor Willis stated that the letter that was provided initially proposed 90 employees, but he is stating it will have 45 employees with 15 per shift. Mr. Williams explained that the 90 employees account for all roles that will be performed to include transportation, security, etc. The 45 employees account for the specific employees that will always be physically inside the facility.

Mayor Willis asked if anyone else, Mrs. Wilson or the council, had any other questions before a motion was made.

Councilmember Rogers wanted to take the time to thank everyone for coming and clarifying the questions and expressing the concerns. She stated that it does bring up a very good point that we all must be mindful that when we are rehabilitating children that we are providing them with the proper resources that they need to bring them back into our school system. She further stated that these resources will help the children with any mental health issues or behavioral issues that they have and that by going through the program that is being proposed, it will help them not have these issues any longer. Mrs. Rogers stated that we all need to be careful with the language that was used because we are referring to children and no matter how traumatized or intense their behavior is that they are still kids. She stated that programs like this are needed to advocate for the children and provide the children's needs.

Councilmember Rainer asked if the current programs they have in place would continue as well. Mr. Williams reassured the council that current programs would all stay in place as well.

Councilmember Evans inquired again about what counties it would work with. Mr. Williams explained that the facility would work with the surrounding counties/region in where it is located at. He explained that the facility would be licensed to provide service across the entire state but based on the needs assessment in the 5 surrounding counties, the facility will be full before it starts.

Councilmember Adams inquired about what the targeted age group would be. Mr. Williams explained that the age group would range from 5-17 years old. The PTRF is for 19 years old and under, but the facility has a cut off at 17 years old.

Mayor Willis asked for any last comments and there were none. Mayor Willis closed the public hearing.

Councilmember Adams stated she would like to offer a motion to continue this request until next month to have an opportunity to gather some more information for herself. She stated she would feel more comfortable with the request if they could hear from April Snead and inform the school district of this request.

Mayor Willis asked if there was a second to the motion for continuance. As there was none, Mayor Willis declared that the motion dies for lack of a second.

Mayor Willis asked if there was another motion.

Councilmember Rogers moved to approve the request for a Special Use Permit to allow a residential childcare facility at 1703 Stonewall Road because:

- The development is within the planning jurisdiction of the City AND
- The application is complete AND
- The development is in substantial compliance with the regulatory provisions of the UDO (for example, setbacks, decommissioning plan, location, clustering, etc.)

AND BECAUSE THE APPLICANT PROVIDED EVIDENCE THAT:

(1) The establishment, maintenance, or operation of the special use will not be detrimental to or endanger the public health, safety, or general welfare; AND
(2) The special use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, nor diminish or impair property values within the neighborhood; AND
(3) The establishment of the special use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district; AND
(4) The exterior architectural appeal and functional plan of any proposed structure will not be so at variance with either the exterior architectural appeal and functional plan of the structures already constructed or in the course of construction in the immediate neighborhood or the character of the applicable district, as to cause a substantial depreciation in the property values within the neighborhood; AND
(5) Adequate utilities, access roads, drainage, parking, or necessary facilities have been or are being provided; AND
(6) Adequate measures have been or will be taken to provide ingress and egress so designed as to minimize traffic congestion in the public streets; AND
(7) The special use shall, in all other respects, conform to all the applicable regulations of the district in which it is located; AND
(8) Public access shall be provided in accordance with the recommendations of the city's land use plan and access plan, or the present amount of public access and public parking as exists within the city now. If any recommendations are found to conflict, the system requiring the greatest quantity and quality of public access, including parking, shall govern. The proposed use shall be consistent with recommendation and policy statements as described in the adopted land use plan; AND
(9) The proposed use shall be consistent with recommendation and policy statements as described in the adopted land use plan.

Councilmember Williamson moved to second the motion, and the vote was 4 to 1. Councilmember Adams stated she was opposed at this time.

CITY MANAGER REPORTS

EAGLE SCOUT PROJECT INVITATION – THOMAS BUIE

Mr. Thomas Buie was present to invite the Mayor and Council to the U.S Flag Retirement Ceremony at Presbyterian Park across from Laurinburg Presbyterian Church on March 12, 2023, at 4:00 p.m. (rain date March 19th). This ceremony is part of Mr. Buie's eagle scout project for his Troop 420.

Mr. Buie informed the council that Troop 420 was chartered in 1929 and is sponsored by Laurinburg Presbyterian Church. The troop has produced 186 eagle scouts in its 93-year history including his father Frank Buie, his Uncle Clifton Buie and Councilmember Drew Williamson. His project is a Flag Retirement Ceremony, which will allow the citizens in our community to be aware of the proper way to dispose of a torn and tattered flag. Laurinburg Native Dr. James Warren from New Bern, NC will share his knowledge of the history of the U.S. Flags and will make an educational presentation of the flag. Dr. Warren was awarded his eagle scout in 1974 as a member of Troop 420 and looks back as that being one of his greatest accomplishments. Dr. Warren was a graduate of Scotland High School in 1978 and received his undergraduate from The Citadel in Charleston, SC, and he then received his medical degree from the University of South Carolina Medical School in 1988. Mr. Buie will have a collection box in the hut parking lot across from the Laurinburg Presbyterian Church for an easily accessible drop off. He asked that everyone mark their calendar and come to the ceremony on March 12, 2023.

PRESENTATION OF FISCAL YEAR 2021-2022 AUDIT

Mr. Alan Thompson of Thompson, Price, Scott, Adams & Co., P.A. presented the results of the audit for the fiscal year ending June 30, 2022. Mr. Thompson provided the council a copy of the Final Audit Results (see attachments for references).

Mr. Thompson pointed out that the city did not have any significant audit matters with regards to the accounting policies, accounting estimates, or with the financial statement disclosures. Mr. Thompson stated that there were no difficulties encountered in performing the audit, no corrected and uncorrected misstatements, no disagreements with management, and that management did provide a representation letter dated February 15, 2023. The auditors are also not aware of any management consultations with any other independent accountants during this time as well.

Budgetary violations were noted in the stewardship note in the notes to the financials. The budgetary violations in the General Fund are due to the first-year implementation of the new accounting standard for leases (GASB 87). There was also a budgetary violation in the Solid Waste fund associated with an unbudgeted transfer from the General Fund to cover contractual expenditures.

The following will show the trends over the last 4 years:

CITY OF LAURINBURG

FINANCIAL INFORMATION FOR 5 YEARS

	2022	2021	2020	2019	2018
Total Fund Balance - General Fund	$ 4,195,878	$ 3,346,025	$ 2,613,415	$ 2,939,009	$ 3,699,497
Unavailable Fund Balance (Reserve for State Statute, Inventories, Prepaids)	1,534,519	492,284	574,030	554,445	369,475
Restricted and Assigned Fund Balance	2,384,501	1,006,289	1,077,083	2,396,876	2,525,657
General Fund Expenditures (including transfers out, less leases and installment purchases)	8,686,282	7,532,764	8,342,600	8,051,508	7,032,526
Fund Balance Available as % of General Fund Expenditures	30.64%	37.88%	24.45%	29.62%	47.35%
Unassigned Fund Balance (Previously Unreserved and Undesignated Fund Balance)	2,034,628	2,311,326	1,496,970	507,747	1,155,037
Unassigned Fund Balance as % of General Fund Expenditures	23.42%	30.68%	17.94%	6.31%	16.42%

Revenues over (under) expenditures before contributions and Transfers					
General Fund	(797,880)	485,372	(850,165)	(803,820)	(88,638)
Electric Fund	897,075	1,229,924	1,503,114	1,720,169	1,569,265
Water and Sewer Fund	(480,355)	258,308	1,271,898	1,716,297	1,679,798
Solid Waste Fund	(4,833)	(16,850)	8,607	165,136	143,834
Other Governmental Funds	351,506	16,044	(404,056)	(4,097,363)	(4,500,695)
Cash vs. Accumulated Depreciation - Electric Fund					
Total Fixed Assets	21,840,775	21,086,049	19,885,700	16,465,253	16,120,748
Accumulated Depreciation	11,135,395	10,625,528	10,575,377	10,373,283	10,232,239
Cash	2,458,189	2,392,856	1,729,036	4,358,531	3,480,066
Cash vs. Accumulated Depreciation - Water & Sewer Fund					
Total Fixed Assets	69,410,791	66,794,120	61,976,994	67,128,101	65,490,666
Accumulated Depreciation	30,872,976	29,432,038	27,970,536	33,295,735	32,124,246
Cash	2,852,004	5,764,744	6,718,587	6,666,673	6,022,612
Cash vs. Accumulated Depreciation - Solid Waste Fund					
Total Fixed Assets	4,804,453	3,773,485	3,798,174	3,953,449	3,562,387
Accumulated Depreciation	3,024,762	2,790,316	2,658,198	2,748,484	2,645,297
Cash	223,546	380,067	267,911	928	523,248
Cash & Investments vs. Fund Balance/Net Position					
Cash - General	2,914,350	2,996,215	2,142,002	2,478,630	3,446,023
Cash - Electric Fund	2,458,189	2,392,856	1,729,036	4,358,531	3,480,066
Cash - Water & Sewer Fund	2,852,004	5,764,744	6,718,587	6,666,673	6,022,612
Cash - Solid Waste Fund	223,546	380,067	267,911	928	523,248
Cash - Other Governmental	3,811,149	740,080	591,236	1,190,813	5,712,147
Fund Balance - General	4,195,878	3,346,025	2,613,415	2,939,009	3,699,497
Net Position - Electric Fund	12,828,630	11,537,702	10,126,836	9,177,124	7,574,815
Net Position - Water & Sewer Fund	38,723,322	38,720,702	36,580,517	35,294,972	33,140,145
Net Position - Solid Waste Fund	1,356,920	1,044,689	1,061,537	1,052,930	887,794
Fund Balance - Other Governmental	875,710	729,204	591,236	975,292	5,052,656

Mr. Thompson stated that the main indicator they are looking for in a proprietary fund is positive cash flow. You can have a high net position and do in most cases in the electric fund and the water/sewer fund. If there is positive cash flow, that means that you are charging enough for the services, and you can provide them long term.

Mr. Thompson continued to say when looking at other governmental fund, it can include a lot of different projects, so it can fluctuate tremendously at any point due to projects going on.

Business Type Debt Activities went down tremendously from 2018 at $8,399,830 to $4,581,426 in 2022. (Reference Page 4 on Attachments)

General Fund Revenues in 2018 $6,921,178 went up to $7,968,490 in 2022 and General Fund Expenditures in 2018 $7,009,816 went up to $8,766,370 in 2022. (Reference Page 5 on Attachments)

The Local Government Commission (LGC) will no longer initiate the communications about concerns or finds (formerly known as unit letters). LGC has created a spreadsheet that has to be completed and submitted with the audit report. If that worksheet identifies what the LGC considers a "Financial Performance Indicators of Concern (FPICs)," the auditor is required to communicate those items to the board.

The board is required to submit a response to the LGC within 60 days of the board meeting in which the financial statements are presented. The detailed audit response should be presented to the entire board, and signed by the entire board, finance officer, and manager.

The following were the Financial Performance Indicators of Concern from the Audit (Reference Page 12 on Attachments):

1. Fund Balance Available – 30.76% (Average of similar units is 63%)
2. Unrestricted cash/total expenses excluding depreciation, including debt service principal and interest – 13.04% (Minimum Threshold Greater than 16% = 2 months)
3. The Audit Report is expected to be submitted within five months plus one day from the fiscal year end per the auditor. (December 1st for most units) - Late
4. Did your audit disclose as a finding any budget violations? - Yes
5. The Unit had material weaknesses, significant deficiencies, and/or statutory violations that should be addressed in the FPIC Response Letter? – Yes

Mr. Thompson stated that the board has to respond to the LGC within 60 days from the date of this presentation of February 21, 2023.

Mayor Willis stated that what stood out to him on the report was COVID.

City Manager Nichols informed the council that, just like last year, this is the second year that we have to respond to each of these items. He stated that he will bring the prepared response back to council at the next meeting on March 21, 2023, to comply with the 60-day deadline.

Councilmember Evans asked Mr. Thompson what grade he would give the city if his company had to grade us in a letter grade. Mr. Thompson responded with a B. He stated that his role is not to grade the city as to whether it is good or bad but to find that the financial statements are materially correct.

Mayor Willis asked a question regarding the fund balance being set at 63%. Mr. Thompson responded by saying that is the average, but he does agree that is a high number.

The city manager stated that it has always been that staying above the 8% but the city council approved a separate policy many years back that increased that minimum to 16% but 24% total. Mr. Nichols stated that the city is also being compared to a similar sized community, such as one located at the beach that is collecting 100% of their taxes, so it's kind of hard to do that across the board.

Councilmember Rogers inquired about the units on page 11. The city manager explained that other units would be other municipalities. Those units on page 11 represent a breakdown of general fund expenditures, which is a breakdown of the city's different departments internally. He explained that Mr. Thompson is referring to the fact that indicators will be comparing the city to other cities or towns. Mr. Nichols stated after this year, the city will be compared to every city under a hundred million dollars. With that being said, the city could be compared to another with a $95 million budget to the city's $8 million budget.

Councilmember Rogers asked regarding the response that has to be completed within 60 days to the LGC, if we are responding to each item and is an action plan required with those responses. Mr. Nichols stated that since the LGC was getting bombarded with responses, it was placed on the auditors. He stated that the Finance Director would prepare the required response to send back to the LGC, addressing each of the issues, for the council to review and to sign off on before it is sent in to the LGC for their approval.

Councilmember Adams wanted to point out the great job of the city finance staff with the 95% collection percentage and thanked staff for what they are doing. Mrs. Adams inquired to Mr. Thompson regarding the lateness of the audit. Mr. Thompson stated it was a combination between the auditors and city staff, but the auditors took the heat on that as the auditors worked through changing over from one auditor to another. Mr. Thompson stated that he has met with the city manager and city financer officer, and lateness should not be an issue going forward. Mr. Nichols explained that with the first year of working with this auditor, there was a learning curve, because no two municipalities are completely alike, so that was some of the timing separation. Mr. Nichols added that there will have to be an action taken by council to modify the audit contract date because of it being submitted after the December 1st timeframe, so we can get the amended contract executed and sent into the LGC for approval.

Councilmember Adams moved to approve the modified date of the submission of the FY 2022 Audit to the LGC, and authorize the mayor to execute the amendment to the contract with Thompson, Price, Scott, Adams & Co, P.A. There was a second to the motion by Councilmember Rainer and the vote was unanimous.

RELEASES, DISCOVERIES, AND ADJUSTMENTS TO TAX LEVY

Ms. Diana Chavis, Tax Collector, presented the releases, discoveries, and adjustments to the 2022 tax levy for council approval.

The releases are $1,297.60; the discoveries are $73,019.68.

Councilmember Evans moved to approve the releases, discoveries, and adjustments to the tax levy. Councilmember Adams moved to second the motion, and the vote was unanimous.

ADVERTISEMENT OF TAX LIENS

Ms. Diana Chavis, Tax Collector, submitted for council review, the amounts of tax liens on real property and requested an advertising date.

As required by GS 105-369a, the tax collector must report to the governing board the total of unpaid taxes for the current fiscal year that are liens on real property. The city has $295,445.52 in outstanding taxes.

Ms. Chavis requested to advertise these tax liens in the Laurinburg Exchange during the week of March 6th to 10th, 2023.

Councilmember Williamson moved to approve advertisement of tax liens. Councilmember Adams moved to second the motion, and the vote was unanimous.

RESOLUTION NO. R-2023-02 TO ACCEPT AMERICAN RESCUE PLAN FUNDING GRANT OFFER FOR ELEVATED STORAGE TANKS PROJECT

The City Manager explained that the city was offered American Rescue Plan (ARP) funding in the amount of $3,890,000 for the Elevated Storage Tank Improvements project. A Resolution to Accept the American Rescue Plan Grant Offer must be approved to officially accept the funding for this project and related assurances.

Councilmember Williamson moved to approve Resolution No. R-2023-02 to accept the American Rescue Plan Funding Grant Offer for the Elevated Storage Tanks Project in the amount of $3,890,000. Councilmember Rogers moved to second the motion, and the vote was as follows:

Ayes: Adams, Evans, Rainer, Rogers, Williamson
Nays: None
(copy of Resolution No. R-2023-02 on file in clerk's office)

RESOLUTION NO. R-2023-03 TO ACCEPT AMERICAN RESCUE PLAN FUNDING GRANT OFFER FOR THE WATER AIA UPDATE WITH RATE STUDY PROJECT

The City Manager explained that the city was offered American Rescue Plan (ARP) funding in the amount of $150,000 for the Water Asset Inventory and Assessment with Rate Study project. A Resolution to Accept the American Rescue Plan Grant Offer must be approved to officially accept the funding for this project and related assurances.

Councilmember Evans moved to approve Resolution No. R-2023-03 to accept the American Rescue Plan Funding Grant Offer for the Water Asset Inventory and Assessment with Rate Study Project in the amount of $150,000. Councilmember Rainer moved to second the motion, and the vote was as follows:

Ayes: Adams, Evans, Rainer, Rogers, Williamson
Nays: None
(copy of Resolution No. R-2023-03 on file in clerk's office)

RESOLUTION NO. R-2023-04 TO ACCEPT AMERICAN RESCUE PLAN FUNDING GRANT OFFER FOR THE WASTEWATER AIA UPDATE WITH RATE STUDY

PROJECT

The City Manager explained that the city was offered American Rescue Plan (ARP) funding in the amount of $150,000 for the Wastewater Asset Inventory and Assessment with Rate Study project. A Resolution to Accept the American Rescue Plan Grant Offer must be approved to officially accept the funding for this project and related assurances.

Councilmember Rainer moved to approve Resolution No. R-2023-04 to accept the American Rescue Plan Funding Grant Offer for the Wastewater Asset Inventory and Assessment with Rate Study Project in the amount of $150,000. Councilmember Williamson moved to second the motion, and the vote was as follows:

Ayes: Adams, Evans, Rainer, Rogers, Williamson
Nays: None
(copy of Resolution No. R-2023-04 on file in clerk's office)

DISCUSSION/UPDATE ON I. ELLIS JOHNSON RESTORATION PROJECT

Councilmember Rogers requested this item to be placed on the agenda to provide an update on the I. Ellis Johnson (IEJ) Restoration project and discussion of the potential for creating City occupancy plans for the IEJ Community Center.

The city manager stated that there have been two leadership team meetings at which any need of using any of the rooms at IEJ was discussed and no one has a need for any of the space at this time. Mr. Nichols stated that Police Chief Johnson wanted to be on board with patrolling the area but does not have a need to use the inside of the building for anything. Upon question by Councilmember Evans, the city manager responded that both fire and police want to have a presence to patrol and assist as much as possible in the area, but there is not a need to be inside the facility.

Councilmember Rogers stated that she understands there has been some discussion of locating a dispatch area inside of the building. She stated that since officers are frequently in the area, perhaps some type of call center could be a possibility. She stated some type of call center or dispatch inside the building, not always, but during events, or using as an extended headquarters or rest area. Mrs. Rogers also suggested that there are plenty of current programs in the city that are offering some type of community service resources, but they are not looking for space, rather are more so in need of other support and resources. She stated that if any changes have been made to the planned phases for the project, the council would need to get clarification from the commissioners. Mr. Nichols responded by saying that Chief Johnson wants the police officers to use the patrol cars as their office and if the officers are outside of the vehicle and inside the building, then the response time would be higher. Mr. Nichols stated that Chief Johnson does want to be involved when there are events taking place at the facility but does not have a need to station officers inside the building.

Mayor Willis informed the council that the city has committed $50,000 in electrical fees to this project, which is significant. Councilmember Rogers asked if that increases our incentive to want to be present or does that mean we have met the bill of what the city wants to be involved in.

Mayor Willis stated that the city is divided into five zones and that when the police officer is in that zone where the facility is located, he can be stationed in the parking lot. The police cruisers are set up as mobile offices for the officer and Chief Johnson wants the officers in their car instead of being displaced inside of a facility. The space needs for the city have been met by having the city hall building built, so as far as using the IEJ facility for office space, there is not a need.

Councilmember Rogers asked, as the liaison to this committee, if there is anything the city can see itself needing this building for. Mayor Willis responded by saying that the staff has said they have no need for it. Mr. Nichols reiterated that during the leadership meetings they have visited the topic several times and several staff members even visited and walked through the building; however no one could think of any way that the city could benefit from the space or that needed the extra space.

Councilmember Evans asked if there is any need for using it for training space. Mr. Nichols informed the council that he is sure the department heads would have let him know if they needed space for training, but they stated that they did not have a need.

Councilmember Rogers stated that she just wanted to make it clear that she is not trying to create a need if there is not one, but she just wanted to make sure there are no programs in the future that we would need space for. Mrs. Adams stated that the county did give Southeastern Community Action Partnership the annex building at the IEJ location for office space. This group also talked about a community center and playground as well out there.

NORTH FIRE STATION CONSTRUCTION UPDATE

Councilmember Rainer requested this item to be placed on the agenda to provide an update on the North Fire Station Construction project. The city manager provided an update on the construction status and current timeline for completion. Mr. Nichols informed that construction is at a little bit of a standstill with the announcement of the new industry, Sopacko, that will locate next to the fire station. He stated there were two entrances to the fire station already approved by NC DOT, prior to the announcement of the new industry, but now that has changed because DOT does not want three entrances off Aberdeen Rd. that close together. He explained that now there will be a shared entrance with the fire station and SoPacko. He further commented that, as far other updates, hopefully the concrete slab will be poured by the first week of March, weather permitting. If that can happen, then the steel should be erected by the end of March, beginning of April. He reiterated that, as of right now, the construction is still on target for a September 14th completion date and the city being able to occupy.

DISCUSSION OF USE OF COUNCIL CHAMBER FOR SCOTLAND COUNTY BOARD OF COMMISSIONERS MONTHLY MEETINGS

Councilmember Evans requested this item to be placed on the agenda to discuss the request by the Scotland County Board of Commissioners to utilize the City Hall Council Chamber for their regular monthly meeting. The city manager informed the council that he has spoken with County Manager Kevin Patterson and the county is looking for a temporary use for their commissioner meetings. The commissioners are currently using the EOC/911 Building and are looking for a temporary two-year use.

Mayor Willis stated that the relationship between the city and the county is a great working relationship. Mr. Willis said that this might be a chance to perhaps leverage the relationship between the city and the county.

The city manager stated that there are factors to take into consideration. The city would be putting more duties on our limited staff by opening that door. There is a lot of behind-the-scenes activities that take place to have a meeting in the chamber.

Councilmember Adams inquired if this request is for all the county meetings or just the regular monthly meetings. She voiced her concern that the county does have a lot of budget meetings that take place and that would put a lot of extra burden on our staff. Mr. Nichols stated that from his understanding this request is just for their regular scheduled monthly meeting, but it would be a concern if it is more than that. Mr. Nichols reiterated that it does concern him with putting more burden on our limited staff.

Councilmember Adams expressed that the city will be paying $6,000 in tipping fees to the county with the demolition just approved on Biggs Street. She asked if the county could reciprocate by helping the city on these types of things. Mr. Nichols stated that the city does control burns, when possible, to try to reduce the weight of the debris taken to the landfill to reduce that cost. Mr. Nichols stated that if this request is the direction of council, then he can investigate the additional cost that the city will bear and report back before any decision is made.

Mayor Willis asked the council if they approve for Mr. Nichols to pursue the request and look into it. The consensus of council agreed for the city manager to investigate this request further and report that information back to the board for a potential decision at the regular meeting next month.

COMMENTS FROM THE CITY MANAGER

The city manager informed the council that the African American Heritage Committee is having a Black History Month Parade. The staff did not get a response back from any board member wanting to participate, but staff went ahead and registered the entire board and the entry fee paid is for anyone that wanted to participate on February 25, 2023. Line up starts at 1:00 p.m. with the parade to begin at 3:00 pm.

The city manager also stated that he will be in Washington, D.C. with Electricities for a conference next week on Monday, February 27th through Wednesday, March 1st.

The city manager also informed the board that the city is finally fully staffed in the Electric Department for the first time since 2012.

COMMENTS FROM MAYOR AND/OR COUNCILMEMBERS

Mayor Willis informed the council that the Economic Development Corporation has a lot of potential projects going on right now. The city has several restaurant chains that are actively interested in coming to the area, along with a retail chain that is actively interested. He also commented that there are also several exciting prospects happening with the airport.

Councilmember Adams informed the board that effective January 1st, the Laurinburg/Maxton Airport, Southeastern Regional Airport, assumed the fixed based operation where the airport now controls the hangers, the fueling, and the scheduling of events. The airport is undertaking some minor renovations and will have a grand opening, to be announced. She also stated that the airport has 4 new employees hired. Mrs. Adams also wanted to remind everyone to take the opportunity to register for the free seminars with the Lumber River Council of Governments (COG) when you can.

Councilmember Evans stated that there is a lot of good information with these COG seminars such as grants, funding, knowledge, training, etc. and can be very informative.

Councilmember Adams stated that Lumber River Council of Governments also assisted in the 127 Main Street project, as well as the Asset Inventory Assessment with Willis Engineering for the water and wastewater infrastructure. Mr. Nichols further elaborated that COG assisted in getting the city a $650,000 grant for the 127 Main Street project. David Richardson, with the COG, and his staff were able to help beef up the grant application that helped the city receive the funds for this project.

Councilmember Adams spoke about the Film Festival that took place in California that featured Laurinburg and gave Mayor Willis compliments for his efforts in this taking place. Mayor Willis informed that the organizers of the film would like to have a Red-Carpet Event to preview the movie in Laurinburg and fly the stars back here and that could possibly happen next month.

Councilmember Rogers stated that these types of events indicates that the community is doing great things in Laurinburg and providing the resources to help make things like this movie happen. Mrs. Rogers also stated that there will be a float in the parade that will be devoted to many of the first African Americans to hold any type of higher position within Scotland County.

Councilmember Williamson noted that during budget preparation, the city should consider providing funds to focus on several dilapidated buildings in Laurinburg that need to be demolished and clean those areas up. Councilmember Evans agreed. Councilmember Rogers asked if any type of grant funding is available for this type of work. The city manager informed council that the city and the COG has tracked down Charles Jones with the City of Beaver Falls and they are a similar sized city that currently has a DCTA program. The Lumber River Council of Governments is working with getting the city connected with Mr. Jones and to get on his schedule to have a conference call with him for some guidance and insight on how the program works.

Councilmember Evans inquired about what is taking place with Bojangles and was excited to find out that it is planned to be demolished and replaced with a new building.

ADJOURNMENT

Motion was made by Councilmember Williamson, seconded by Councilmember Rainer, and unanimously carried to adjourn the meeting.

The meeting adjourned at 7:52 p.m.

James T. Willis, Mayor

Harold W. Haywood, City Clerk