March 23, 2023

At the Special Called Meeting of the Mayor and Board of Aldermen/women of the Town of Canton held at the Town Hall at 85 Summer Street, March 23, 2023, at 6:30pm with Mayor Smathers, and Aldermen/women Mull, Hamlett, and Shepard present, the following proceedings were held.

A. Call to Order

Mayor Smathers called the meeting to order at 6:45 p.m. Alderwoman Proctor was attending the "open bowls" event sponsored by Haywood Pathways.

B. Roll Call

Mayor Smathers stated that the Manager, Assistant Manager/Clerk, Finance Officer, and Town Attorney were present.

C. Pledge

Alderman Shepard led those in attendance in the Pledge of Allegiance.

D. Approval of Minutes:

Alderman Hamlett made a motion to approve the March 9, 2023, minutes as presented. Alderman Shepard seconded the motion. Motion carried.

E. Work Session

Finance Officer, Natalie Walker presented the proposed budget (see attached) that has been cut by department heads and will most likely be cut even more due to the large impact on the Town budget of the Pactive Evergreen mill closing. Ms. Walker went over each department and explained to the Board that all contracted services would be cut and any other costs that were deemed to not be a necessity to ensure that we do everything we can to alleviate cutting personnel. Ms. Walker commented that the COLA raise would need to be looked at carefully and that if the Board desired, she could bring back several options for them to consider. The Board by consensus wanted to see the options. Alderman Hamlett reiterated the desire for the different option for employee raises. Mayor Smathers stated that he had been dreading this moment because a visionary meeting the Town had so many positive plans for this community and now some of these things would have to be put on hold due to the budget shortfalls. Mayor Smathers stated that times were going to be difficult, but this town would survive. Alderwoman Mull commented that none of the budget

cuts were due to any fault of the employees and the circumstances of the mill closure was out of our control, however she had all the faith that we would survive this tragedy as we had others. Alderman Hamlett stated that this was unsettling and challenging but would be recoverable. Canton is going to stay open even though it would prove difficult at times, we will come back. Alderman Hamlett stated that his loyalty was with the Town of Canton and encouraged others to support the Town businesses. Alderman Hamlett thanked staff for all the extra time that they are having to put in to navigate this situation. Alderman Shepard thanked the administration for stepping up and making the hard cuts where needed trying to protect our people. Alderman Shepard stated that it was very important to him to protect our employees even if growth must be postponed for a while, but he knows that we will do what it takes to bounce back as in the past with the floods.

F. Mayor Comments

Mayor Smathers thanked Manager Scheuer for all the work behind the scenes on day and late afternoons trying to best navigate and make sure that the Town is being protected as best she can be. Mayor Smathers stated that the leadership staff was second to none and he was glad he was in the trenches with this Board and staff. Mayor Smathers suggested inquiring about possible farewell tours and a great send-off when the mill blows her final whistle. Mayor Smathers thanked all the people that are praying for this community and sending well wishes from near and far. Mayor Smathers thanked the media for allowing the employees to be able to tell their stories from their time with the mill.

G. Aldermen/women Comments

Alderwoman Mull thanked everyone for the kind words and concern for her being a retiree from the mill and current employee of the Smokey Mountain Local 507 Union. Alderwoman Mull stated that we still have a future, and she looks forward to better days.

Alderman Hamlett stated that the mill had been a large part of all our lives. Alderman Hamlett stated that the grit that the people of this community has fills him full of optimism that tomorrow will be better than today.

Mayor Smathers stated that everyone sacrifices to make this ship sail, Alderman Shepard was missing his child's program and an event for special needs students at Pisgah to be in attendance for this town meeting to do what is best for our community.

Alderman Shepard commented that he did not grow up in

Canton, but he chose to work and live here, and this community was so welcoming. Alderman Shepard stated that we may not have the best talent, but this community would out work everyone and always come out on top because of her people.

H. Public Comments: N/A

I. Managers Reports

Manager Scheuer presented the tax report.

Manager Scheuer stated that he was an internal optimist and the grit and loyalty that this community has made the future look bright but not without sacrifice and dedication. Manager Scheuer stated that he was proud of the department heads for making the cuts from wants to necessities without complaining but out of willingness to do their part.

J. New Business

1. Public Hearing: Voluntary Annexation for 208 Painter Street

Alderwoman Mull made a motion to open the public hearing at 6:45pm. Alderman Shepard seconded the motion. Motion carried. With no comments from the public, Assistant Manager Stinnett presented the Board with an ordinance that would agree to annex 208 Painter Street into the corporate limits of the Town of Canton for their consideration. Alderman Hamlett asked to be recused from this discussion and vote due to this was his property and request. Alderwoman Mull made a motion to approve the ordinance to annex 208 Painter Street, canton, NC as presented. Alderman Shepard seconded the motion. Alderwoman Mull, Alderman Shepard and Mayor Smathers voted in favor of the motion. Motion carried.

K. Closed Session Pursuant to N.C.G.S. 143-318.11 (a)(4)

Manager Scheuer stated that he did not have any updates for the closed session at this time.

L. Adjournment

The next meeting will be on Thursday, April 13, 2023, at 6:30 p.m. at Town Hall located at 85 Summer Street, Canton, NC 28716. There being no additional business, Mayor Smathers adjourned the Meeting at 6:47 p.m.

Melisa Stinnett, Town Clerk