

Town of Hot Springs
Board of Aldermen
Special Meeting
January 17, 2026

Present:

Mayor Abigail Norton
Alderman Lisa Gahagan
Alderman Tammy Shelton
Alderman Wendy Stancil
Attorney Larry Leake

Town Administrator/Finance Officer –
Sena Kassim
Planning & Zoning – Ben Houser
Tax Collector – Laura Holloway

Mayor Norton called the meeting to order at 9:00 a.m. and reminded attendees of the Public Charge, noting that public comment is not permitted during Special Meetings.

Mayor Norton noted that the Planning and Zoning Ordinances are available on the Town's website and stated that several Board-approved updates still need to be incorporated into the online versions.

Spring Creek Farmhouse

Amy Kashuba of the Hot Springs Planning & Zoning Board presented the key factors informing the Board's recommendation on the request to rezone a residential property.

- What category of business is being reviewed, as defined by the Hot Springs Zoning Ordinance?
- Does any zone list as Permitted or Special use?
- Would allowing the rezoning fit or comply with the 2022 – 2023 Hot Springs Comprehensive Plan?
- If the property is rezoned, what zone will it be? The Town would have to be okay with ALL types of businesses in that location. The decision would then go with the property, not the owner.
- Could it be considered Spot Zoning? The property is owned by an LLC. Surrounding properties are personal owners.

Ms. Kashuba read the following information from the UNC School of Government:

Factors in Validity - from UNC School of Government Spot Zoning
David W. Owens
May, 2023

"When adopting a "spot" zone, a local government has an affirmative obligation to establish that there is a reasonable public-policy basis for doing so. Thus, the public-hearing record and minutes of the board's deliberations should reflect consideration of legitimate factors for differential zoning treatment of the property involved. Does the property have different physical characteristics that make it especially suitable for the proposed zoning, such as peculiar topography or unique access to roads or utilities? Are there land uses on or in proximity to the site that are different from the uses made of most of the surrounding property? Would the proposed range of newly permissible development be in harmony with the legitimate expectations of the neighbors? Have appropriate safeguards been incorporated to protect the interests of those affected?"

Relationship of Uses

A "factor in spot-zoning analysis is the relationship between the proposed uses and the current uses of adjacent properties. The greater the disparity, the more likely the rezoning is to be held illegal."

The Zoning and Planning Board advises the Board of Aldermen that their decision will establish a precedent for future requests of a similar nature.

Mayor Norton informed the Board of Aldermen that the Planning Board had identified concerns related to the upcoming rezoning request. Alderman Stancil expressed reservations about limiting a property owner's use of their property and suggested the residence be treated similarly to an Airbnb. Mayor Norton clarified that while the property functions as an overnight rental, the owner is seeking permission to host events on a residentially zoned parcel. Alderman Stancil asked whether the Town could issue event permits to Spring Creek Farmhouse on a case-by-case basis, with the understanding that the privilege could be revoked if issues arose. Alderman Gahagan questioned whether such permissions were granted to other airbnbs, and Mayor Norton confirmed they were not. Mr. Houser added that this property is being marketed specifically as an event and wedding venue, unlike other short-term rentals in Town.

Attorney Leake stated that, because the property is currently zoned residential, the Board of Aldermen has no available course of action unless a rezoning occurs.

Personnell Policy

The Board requested copies of the Town employee job descriptions, which were provided. Ms. Kassim noted that while some positions are governed by General Statutes, others are not.

Alderman Gahagan noted that the NC School Board Association regularly provides school systems with recommended policy updates to ensure compliance with legal requirements. These updates are then reviewed by the schools' attorneys. She asked whether a similar process exists for small towns—specifically, whether an association issues policy guidance or if municipalities must develop and update their own policies independently. Board members informed her that the North Carolina League of Municipalities (NCLM) serves this role for towns.

Alderman Shelton asked whether the Board may amend any policy as needed. Attorney Leake confirmed that the personnel policy can be amended at any time, noting that the only potential concern would be an employee claiming the change was directed at them.

Ms. Kassim will outline the key items to be addressed in the updated Personnel Policy.

Vacation Accrual

The current policy allows employees receiving two weeks of annual leave to take one week during the first half of the fiscal year and the second week during the latter half. However, QuickBooks posts the full annual leave balance at once. The Board discussed whether vacation should instead accrue in hours, allowing leave to be prorated each pay period and aligned with the policy. Mayor Norton noted uncertainty about how other institutions track leave in days versus hours but referenced the VA's practice of allocating 0.63 hours per pay period. She expressed that an hourly system may be clearer and more efficient. Alderman Gahagan stated that an hours-based policy would require defining a standard 40-hour workweek and ensuring consistency with overtime provisions. Mayor Norton then reviewed the existing policy stating that full-time maintenance employees called out for emergencies on weekends or holidays receive time-and-a-half pay, except when they have used vacation or sick leave during the same week. Alderman Gahagan questioned why using approved leave would reduce an employee's entitlement to overtime. Attorney Leake advised that the clause could be interpreted as denying legally required overtime pay and recommended its removal. Mayor Norton requested a motion to delete this provision of the personnel policy. Alderman Shelton moved to remove it, Alderman Gahagan seconded, and the motion passed unanimously.

Unused Vacation

The Board discussed options for handling unused vacation time at the end of the calendar year, specifically whether to allow rollover or provide a payout. Members expressed concern that permitting rollover would be too burdensome, and the current policy already states that vacation time may not carry over. In response to a question from Alderman Gahagan, Mayor Norton confirmed that vacation time is included in the budget, though not explicitly noted in the policy. Alderman Shelton clarified that employees may request a payout for unused vacation at year-end, and the Board was generally in agreement. Ms. Kassim will draft the necessary revisions for the Board's review. Attorney Leake recommended adding language to limit how many employees may be off at the same time, given the Town's small staff. Alderman Gahagan suggested requiring vacation requests at least one month in advance, while allowing flexibility for unforeseen circumstances. Ms. Kassim asked whether the Town Administrator could approve vacation requests moving forward; however, the Board chose to retain approval authority. Vacation requests will continue to be reviewed during the Board's monthly meeting, with the Mayor authorized to make decisions on requests submitted only a few weeks in advance.

Payroll Advances

Because payroll is issued by paper check, some employees have requested pay advances when traveling so they can deposit their checks while out of the office. Ms. Kassim noted that any advanced checks would still be dated for the actual pay date. Attorney Leake advised against offering payroll advances, and Alderman Gahagan agreed. The Board affirmed that the current policy will remain in place and that no payroll advances will be issued.

Comp Time

Ms. Kassim reported that the current policy permits compensatory time when employees are directed to attend scheduled meetings. Attorney Leake noted that he was not aware of any municipality that compensates employees specifically for attending town meetings and stated that such participation should be considered part of civic responsibility.

Ms. Kassim clarified that some employees have believed they were entitled to a minimum of two hours of comp time for attending town meetings. However, the existing policy allows compensatory time only when an employee is required to attend a regular or special meeting, and in those cases it must be granted at time-and-a-half. Attorney Leake recommended removing all comp-time language from the policy. The Board discussed whether meeting attendance is included in employee job duties. Ms. Holloway explained that, as a non-exempt employee, she is not paid for attending meetings but informally tracks those hours to use as time off. Alderman Gahagan noted that the policy requires clarification and added that, for department heads, attending meetings should be considered part of the role. She acknowledged that Ms. Holloway is not a department head and suggested that the Town Administrator could attend in place of the Maintenance Manager when necessary. Attorney Leake cautioned that allowing employees to submit timesheets for meeting attendance could create administrative challenges, and the Board agreed. In response, Ms. Kassim asked whether the revised policy should simply state that no compensation will be provided for attending town meetings. She will remove the existing comp-time paragraph from the draft. Attorney Leake reiterated that revisions must clearly reflect the Board's intended changes, and Ms. Kassim noted that employees will need to be informed, as some practices have developed informally outside the written policy. Any necessary provisions not currently included will be added to the updated document.

Miscellaneous Questions

- Ms. Kassim asked the Board to clarify whom employees should notify when reporting an illness. The Board said Employees reporting an illness should notify the Town Administrator
- Ms. Kassim asked whether the Board wished to establish a set meal allowance for employee travel. Alderman Gahagan stated she would review the State's recommended rates and report back.
- The current policy indicates that Easter Monday is a paid vacation day. Ms. Kassim asked the Board if they wanted to keep this day as a paid holiday or if they would like to update to Good Friday. Attorney Leake stated that the Town should follow the State of NC holidays as defined on the State's website. He recommends the following wording: The Town Employees will be given the same holidays as those of the State of North Carolina.

- Alderman Gahagan requested clarification on the bereavement policy amendment. The current policy provides three days of leave for the death of an immediate family member, defined as a father, mother, sister, brother, spouse, child, grandchild, or grandparent. She asked whether an additional day of leave applies specifically to the death of a spouse, parent, grandparent, or sibling. Mayor Norton confirmed that the additional day, as adopted by amendment, will be incorporated into the formal policy language.
- Alderman Stancil noted that the Job Descriptions section of the policy does not fully reflect current responsibilities and emphasized the need to clearly define reporting relationships. Ms. Kassim clarified that Mr. Jeremy Trantham serves as Maintenance Supervisor, and that the Water Operator, Sewer Operator, and Maintenance Assistants report to the Public Works Supervisor. Mayor Norton stated that Town Office staff report to the Town Administrator, who may consult the Mayor or Board as needed. In response to a question from Alderman Gahagan, Ms. Kassim confirmed that the Maintenance Supervisor, Police, Clerk, and Tax Collector all report to the Town Administrator for day-to-day operations. Mayor Norton reiterated that the Town Administrator is responsible for directing and supervising all departments and agencies under the general oversight of the Board. Attorney Leake added that while the Board may meet directly with employees or ask questions of them, doing so through the Town Administrator helps maintain clear administrative structure. He explained that the Town Administrator's role includes supporting employees, addressing concerns, and presenting unresolved issues to the Board in private session when necessary. He further noted that this structure helps prevent internal conflict and ensures that the Board can take action if disputes cannot be resolved and threaten workplace cohesion. Ms. Kassim acknowledged that the Town Administrator position is relatively new to Hot Springs but has long been intended to support daily operations. Alderman Stancil added that the position is standard in other municipalities, and Ms. Kassim agreed that clarifying the role as part of updating the personnel policy will improve understanding for all staff.

Ms. Kassim will update the Personnel Policy and submit it for the Board's review.

Ms. Kassim informed the Board that the donated laptops from the North Carolina League of Municipalities would be available the following Tuesday or Wednesday. She reminded members to use their Town email accounts for all official business to ensure required document accessibility.

At 10:14 a.m., Alderman Gahagan moved to enter Executive Session; Alderman Shelton seconded; motion carried unanimously.

At 11:28 a.m., Alderman Stancil. moved to return to Regular Session. During the closed session, the Board discussed police department coverage during Chief Shelton's extended medical leave.

Alderwoman Gahagan moved to appoint Stacy Workman as Acting Chief of Police during Chief Shelton's absence. Alderwoman Stancil seconded the motion, and it was approved unanimously. Acting Chief Workman will coordinate with the Sheriff's Office and other relevant agencies. The police department cell phone will be retrieved from Chief Shelton to maintain communication between the Town of Hot Springs and the Sheriff's Office.

Alderwoman Stancil moved to set the pay rate at \$25 per hour for Acting Chief Workman and \$23 per hour for part-time officers, with a review scheduled after 12 weeks. Alderwoman Shelton seconded the motion, and it passed unanimously.

With no further business, the meeting adjourned at 11:31 a.m. on a motion by Alderman Gahagan, seconded by Alderman Stancil; all in favor.

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Approved

2-9-2026
Date

Abigail Norton
Mayor Abigail Norton