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Town of Lake Lure

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MINUTES OF THE BUDGET WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD FRIDAY, MAY 2, 1997, 9:30 A.M. AT THE LAKE LURE MUNICIPAL CENTER

PRESENT: Mayor Max E. Lehner
Commissioner Bill Bush
Commissioner Carolyn Cobb
Commissioner Beth Rose
Commissioner Bud Schichtel

John R. Strutner, Town Manager
Sam Karr, Finance Director

ABSENT: N/A

CALL TO ORDER

Mayor Lehner called the meeting to order at approximately 9:30 a.m.

It was the consensus of Councilmembers to add closed session as an item on the agenda.

INVOCATION

Town Manager Strutner gave the invocation.

NEW BUSINESS

Discuss Preliminary Budget Items for Fiscal Year 1997-1998

Town Manager Strutner presented Councilmembers with a memorandum of April 30, 1997 outlining changes that have been made to the draft budget document at the April 15th Town Budget Workshop. (memorandum attached).

After reviewing the annual budget estimates of revenues and expenditures, it was the consensus of Council to make the following recommended changes:

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1. A 3% COLA increase for full-time Town employees in the budget - Approved.
2. Calculate a .35 cent ad valorem tax rate to see what revenues could be generated.
3. \$8,500 under line item "contractual services" at the Hydro (Andy Givens) - Deleted.
4. \$19,000 under line item "Police Boat" - Deleted.
5. \$5,000 for sludge removal - Approved.
6. \$5,000 under line item "Bridge at Beach" - Deleted.
7. \$300,000 anticipated revenue from Hydro - Approved.
8. Deleted \$25,000 out of the budget under line item Fire Coordinator's vehicle.

Commissioner Bush requested that Finance Director Karr contact the Institute of Government, Local Government Commission (LGC), and Town Auditor Robert Koone as to appropriate accounting procedures and usage of the Town's Hydro Electric Fund consistent with state policies, and report same back to Council.

Mayor Lehner suggested that Council look into the possibility of increasing the capacity at the Wastewater Treatment Plant for future expansion.

Commissioner Cobb asked for the justification of the recommendation by Town Manager Strutner to change a part-time employee in administration to full-time employment as of July 1, 1997. The Town Manager discussed this matter with Council.

Council discussed the justifications of Lake Lure Police Officers driving town owned police vehicles home and to work.

Council asked that Fire Coordinator Morgan look into what it would cost to repair his vehicle and what it would cost to purchase a used vehicle.

After discussion, Commissioner Bush moved, Seconded by Commissioner Schichtel, to approve the purchase of two new police cars as requested in the FY 1997-1998 budget justifications. Commissioner Bush and Commissioner Schichtel voted yes. Commissioner Rose

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and Commissioner Cobb voted no. Mayor Lehner voted yes in order to break the tie. Therefore, the motion passed with a vote of 3 to 2.

Council discussed the possibility of setting up a "Sunshine Fund" for future silt removal.

Council discussed the pros/cons of whether or not to lower the lake level next year in order to generate revenue for the Town from hydro-electric power.

Council discussed the possibility of increasing water and sewer rates.

Council authorized Town Manager Strutner and Finance Director Karr to find out how much will be left over in this years budget that could be used to purchase the following as prioritized: (1) police boat, (2) Fire Coordinator vehicle, and (3) replacement of bridge at the Lake Lure beach with the provision that monies are available.

APPROVAL OF DEPOSITORY FOR THE TOWN OF LAKE LURE

Finance Director Karr presented a security agreement with resolution (for public deposits collateralized under dedicated method) to Town Council and recommended that Town Council approve Lincoln Bank of Lake Lure, North Carolina as the Town's official depository.

Commissioner Bush moved, seconded by Commissioner Schichtel, to approve Lincoln Bank of Lake Lure, North Carolina as the Town's official depository and the security agreement with resolution (for collateralized under dedicated method) as presented by Finance Director Karr. (Agreement attached). The vote of approval was unanimous.

CLOSED SESSION

Commissioner Bush moved, seconded by Commissioner Cobb, to enter into closed session for the purpose of discussing personnel matters (G.S. 143-318.11(a) 6) regarding employment of a Zoning Administrator. The vote of approval was unanimous.

With no further items of discussion, Commissioner Schichtel moved, seconded by Commissioner Bush, to come out of closed session and re-enter the regular session of the meeting. The vote of approval was unanimous. No action was taken in closed session.

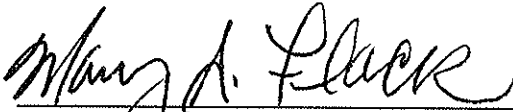
COUNCIL COMMENTS


It was the consensus of Council to schedule the next Town Council Budget Workshop meeting for Tuesday, May 13, 1997, 9:30 a.m., at the Lake Lure Municipal Center.

ADJOURNMENT

With no further items of discussion, Commissioner Cobb moved, seconded by Commissioner Rose, to adjourn the meeting at 10:30 a.m. The vote of approval was unanimous.




Mary A. Flack, CMC/AAE
Town Clerk


Mayor Max E. Lehner