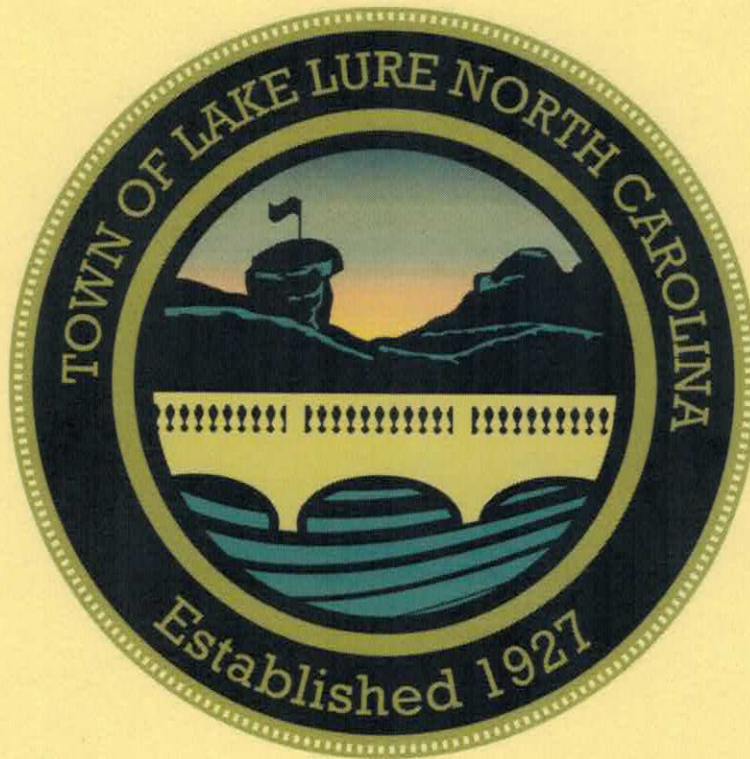


**LAKE LURE TOWN COUNCIL
SPECIAL BUDGET WORKSHOP
MEETING PACKET**

Tuesday, May 12, 2020



**Mayor Carol C. Pritchett
Mayor Pro Tem John Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby**



SPECIAL MEETING OF THE LAKE LURE TOWN COUNCIL

May 12, 2020

9:00 am

Lake Lure Municipal Center

AGENDA

- I. Call to Order
 - Invocation
 - Pledge of Allegiance
- II. Agenda Adoption
- III. Public Comment
- IV. Consent Agenda
 - A. Adoption of the March 10, 2020 Regular Meeting Minutes, the March 17, 2020 Special Town Council and UAB Joint Meeting Minutes, the March 25, 2020 Special Workshop Meeting Minutes, and the April 15, 2020 Special Town Council Meeting Minutes.
 - B. Adoption of the February 11, 2020 Closed Session Minutes and the March 10, 2020 Closed Session Minutes
 - C. Adoption of the April 24, 2020 Special Subcommittee Interview Minutes
 - D. BA# 275-279
- V. Subcommittee Report Regarding Lobbyists
- VI. Budget Workshop
 - A. Review Department Analysis (Hydroelectric Department; Water/Sewer Department; Parks, Recreation & Lake Department)
 - B. Review Draft 2020-2029 Capital Improvements Plan (CIP)
 - C. Review Draft Budget Message and Proposed Budget for Fiscal Year 2020-2021
 - D. Decisions Regarding Department Analysis 2020-2029 CIP and FY 20-21 Budget
- VII. Adjournment



**MINUTES OF THE REGULAR MEETING OF THE LAKE LURE TOWN COUNCIL
HELD TUESDAY, MARCH 10, 2020, 5:00 P.M. AT THE LAKE LURE MUNICIPAL
CENTER**

PRESENT: Mayor Carol C. Pritchett
Mayor Pro Tem John W. Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby

William Morgan, Jr., Town Attorney
Shannon Baldwin, Town Manager

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol C. Pritchett called the meeting to order at 5:03 p.m. and gave the invocation. Council members led the pledge of allegiance.

II. APPROVE THE AGENDA

Commissioner David DiOrio made a motion to approve the agenda, as presented. Commissioner Patrick Bryant seconded and the motion carried 4-0.

III. MAYOR'S COMMUNICATIONS

Mayor Pritchett felt it was important to recognize the situation with the coronavirus expressing that we all have individual responsibilities to keep ourselves safe by practicing universal precautions as recommended by the CDC. She pointed out that there are a number of websites offering information. The Town has taken a lot of precautions to ensure that staff are protected. She asked that everyone remain calm and not get caught up in the panic in the moment.

IV. CHAMBER COMMUNICATIONS

Laura Doster, Hickory Nut Gorge Chamber Executive Director, highlighted on ways the Chamber helps to support the Town. Ms. Doster reported that the Chamber is designing a

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“Welcome to Lake Lure Packet” and asked if the Town could help provide information on the properties that are for sale in Lake Lure and Mr. Baldwin stated that town staff could help. She stated that the Chamber is currently looking for someone to help volunteer as an event director to help the Chamber with events.

V. TOWN MANAGER COMMUNICATIONS

- Town Engineer Kurt Wright and Public Works Director David Arrowood provided an update on the hydroelectric facility. Mr. Arrowood reported that the big generator is back online as of February 26th and everything has been working well. Dean Lindsay was recently hired as the new plant manager and has been in the maintenance field for years. Mr. Wright provided an overview of the FM Global Risk Report noting that David Peckham, the author of the Report, provided his approval. He received three quotes for infrared testing. The first quote was from Magnetech out of Ohio. They are a full service provider and a big player in the power generation field. Magnetech was recommended by a hydroelectric engineer with LaBella Associates. They currently have a low backlog and can have items 1-4 on the FM Global Risk Report completed (excluding item 3 which has already been completed) by the end of the month. Items 5 and 6 must be done in-house as they are O&M preventive maintenance procedures. He mentioned that Mr. Peckham has agreed to meet on March 24th to review and help make comments and improvements to the O&M Manuals, SOP's, ERP's, and PMP's to include in a packet to submit to the League.
- Mr. Wright explained that proposed Budget Amendment #270, small generator repairs of \$110,000, involves replacing the poles on the rotor which have reached their service life and proposed Budget Amendment #271 for \$50,000 is for insurance carrier requirements by a third party which is needed to get the Treatment Plant in compliance according to the Town's insurance carrier, NCLM. Mr. Wright reported that he is developing a list of alternative insurance service providers for dam liability and hydro-elective mechanical equipment and will provide that list to the Town.
- Mr. Baldwin reported that a workshop will be held on March 17th to discuss the Dam, the bridge over the Dam, and the sewer. Schnabel Engineering, NCDOT, NC DEQ, and LaBella will also be participating.
- Parks, Recreation, and Lake Director Dean Givens provided an update on the new marina stating that construction is on schedule and Jonathan Hinkle, Marathon Builders, anticipates the docks to start arriving on April 7th. Mr. Givens also provided an update on dredging mentioning that dredging will begin in another week or two. He reported that he is evaluating the Morton property along with Town Engineer Kurt Wright and Town Attorney William Morgan with hopes to begin dredging that property at the end of April or beginning of May. Dredging this area will slow or stop sediment from entering into Firefly Cove Bay. He then

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reported that Tim Edwards, Tim Edwards Landscaping, has finished grading the area for the future amphitheater.

VI. COUNCIL LIAISON REPORTS & COMMENTS

Commissioner DiOrio reported that the Utilities Advisory Board did not meet but will meet jointly with Council on the 17th.

Commissioner John Kilby reported the activities of the ABC Board and the Lake Advisory Board. He noted that he was out for both of those meetings and the Mayor attended on his behalf.

Commissioner John Moore reported the activities of the Zoning and Planning Board.

Commissioner Patrick Bryant reported the activities of the Parks and Recreation Board and noted that the Board of Adjustment and the Lake Structure Appeals Board did not meet. Maureen Bay, PRB member, reported on the 6th Annual Rumble Event stating that there were over 300 participants and about 40 campers in Morse Park. They raised over \$4,000 to go directly to conservation and \$500 for the Friends of Chimney Rock. She mentioned that about 40 of the volunteers visited the Park on Boys Camp Road on Sunday removing graffiti and picking up trash.

VII. PUBLIC FORUM

Mayor Carol C. Pritchett invited the audience to speak.

Laura Doster, Chamber of Commerce, asked about a timeline for lake lowering in the future and Mayor Pritchett stated that one should be available by early summer.

VIII. CONSENT AGENDA

Mayor Carol C. Pritchett presented the Consent Agenda and asked if any other items should be removed before calling for action.

Commissioner Patrick Bryant made a motion to approve the Consent Agenda as presented. Commissioner David DiOrio seconded. Therefore, the Consent Agenda incorporating the following items was unanimously approved and adopted:

- A. Adopt the February 11, 2020 Regular Meeting Minutes and the February 26, 2020 Special Work Session Minutes

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- B. BA# 270 – Small Generator Repairs
- C. BA# 271 – Insurance Carrier Requirements
- D. BA# 272 – Lake Lure Dam Work Order No. 4
- E. Suspension of Chapter 61: “Peddlers” of the Code of Ordinances for the Hickory Nut Gorge 12th Annual Sale on the Trail Event
- F. Resolution No. 20-03-10 Amending the South Mountains Regional Hazard Mitigation Plan

**RESOLUTION NO. 20-03-10
AMENDING THE TOWN OF LAKE LURE
ANNEX TO THE SOUTH MOUNTAIN REGIONAL
HAZARD MITIGATION PLAN**

WHEREAS, The Town of Lake Lure is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

WHEREAS, The Town desires to seek ways to mitigate situations that may aggravate such circumstances; and

WHEREAS, The Town desires to participate in the Department of Homeland Security FY 2019 Rehabilitation of High Hazard Potential Dams Program (HHPD); and

WHEREAS, North Carolina Emergency Management’s Hazard Mitigation Section and The Region IV Office of the Federal Emergency Management Agency have reviewed the currently adopted South Mountain Regional Hazard Mitigation Plan for compliance with HHPD program requirements and recommended amendments to the plan.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the Town of Lake Lure hereby:

1. Adopts Amendment One to the Lake Lure Annex to the South Mountain Regional Hazard Mitigation Plan
2. Agrees to take such other official action as may be reasonably required to carry out the proposed dam risk analysis and identified program of repairs to the extent that such are eligible under the FY 2019 HHPD
3. Agrees to incorporate the salient points of this amendment into the next update of the Lake Lure Annex to the South Mountain Regional Hazard Mitigation Plan

Adopted on March 10, 2020

IX. UNFINISHED BUSINESS:

There were no unfinished business items to discuss.

X. NEW BUSINESS:

**A. LAKE LURE ADVENTURE COMPANY CONCESSION AGREEMENT
REQUEST**

Parks, Recreation, and Lake Director Dean Givens reported that Lake Lure Adventure Company is requesting a Concession Agreement with the Town for an additional livery commercial boat which exceeds the maximum allowed without a concession agreement.

Commissioner John Moore made a motion to approve the Concession Agreement from Lake Lure Adventure Company, as presented. Commissioner Patrick Bryant seconded and the motion carried 4-0.

XI. CLOSED SESSION

Commissioner John Moore made a motion to enter into Closed Session in Accordance with G.S. 143-318.11(a) (3) for the Purpose of Discussing Legal Claims. Commissioner John Kilby seconded and the motion carried 4-0.

While in closed session Council discussed allegations and a potential legal claim.

Commissioner John Kilby made a motion to return to open session. Commissioner Patrick Bryant seconded and the motion carried 4-0.

ADJOURN THE MEETING

With no further business, Commissioner David DiOrio made a motion to adjourn the meeting at 6:09 p.m. Commissioner Patrick Bryant seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol C. Pritchett



MINUTES OF THE SPECIAL JOINT MEETING OF THE LAKE LURE TOWN COUNCIL AND UTILITY ADVISORY BOARD HELD TUESDAY, MARCH 17, 2020, 8:00 A.M. AT THE LAKE LURE MUNICIPAL CENTER

PRESENT: Mayor Carol C. Pritchett
Mayor Pro Tem John W. Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby
Shannon Baldwin, Town Manager
Mitchell Anderson, Community Development Coordinator
Michelle Jolley, Town Clerk, via telecon

UAB MEMBERS PRESENT VIA TELECON:

Wayne Hyatt, Chairman
Richard Glassman
Don Cason
John Chapman
Clement Riddle

OTHER MEMBERS PRESENT VIA TELECON:

Kurt Wright, SDG Engineering
Keith Garbrick, LaBella Associates
Brian Houston, LaBella Associates
Maurice Walsh, LaBella Associates
Seth Robertson, WithersRavenel/WR Martin
Mark Landis, Schnabel Engineering
Jonathan Pittman, Schnabel Engineering
Ken Pohlig, NC DEQ
Anita Robertson, NC DEQ-DWI

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol Pritchett called the meeting to order at 8:00 a.m.

II. APPROVE THE AGENDA

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Commissioner John Moore made a motion to approve the Agenda as presented. Commissioner David DiOrio seconded and the motion carried 4-0.

III. PRESENTATION BY SCHNABEL ENGINEERING

(Presentation attached)

Mr. Jonathan Pittman conducted a presentation on the Lake Lure Dam rehabilitation alternatives. During the presentation he briefed on the existing conditions assessment of the Dam mentioning that it is in overall fair condition but does not meet all of NC Dam Safety criteria. NC Dam Safety requires a means to potentially drain the reservoir in the event of an emergency and currently there is no capability to do that. Addressing Dam Safety requirements and extending service life of the Dam by a minimum of 30 years are primary objectives. Other primary objectives include maintaining permanent pool levels, protecting existing hydroelectric facilities without altering their operation or structure, evaluating options to maintain the public access road across the Dam, and minimizing impacts to the Town and community during construction.

Mr. Pittman provided an overview of the two alternatives being considered for rehabilitation; a cross-bracing alternative (Alternative 1) and an infilling alternative (Alternative 2A and 2B). The cross-bracing, or structural bracing, alternative entails adding structural concrete and shear walls between the buttresses and arches to increase the strength of the Dam in the cross canyon section. He also proposes adding an impermeable liner with this alternative to reduce seepage through the lift lines to extend the service life of the existing concrete. The primary structure would still be the existing concrete and significant concrete repairs would be required for this alternative. The infilling of bays alternative (Alternative 2) turns the existing arch buttress sections into a concrete gravity structure. Alternative 2A would have a steeper downstream slope and Alternative 2B would have a flatter downstream slope. He feels that Alternative 2B would be the better alternative. This alternative raises the new replacement bridge to not impact the hydraulics associated with the spillway design.

Mr. Pittman briefed on additional key structure and construction considerations for all rehabilitation alternatives. The intake tower is original to the Dam and does not meet current standards for structural stability. Some degree of structural rehab is likely required but additional investigation and analysis is needed. The lake would need to be drained for construction. The existing spillway gates and trash gate are operable currently but there are some structural challenges associated with those. They have not done a structural inspection of those gates but they feel it is appropriate to assume those gates need to be replaced. He noted that a reservoir drain is required for a potential emergency drawdown and added that there are a host of other beneficial advantages with having this drain as well. He stated that some additional analyses and investigation is needed to determine the stability of the abutment retaining walls. The powerhouse is a very unique structure and will likely need some structural improvements but additional investigation is needed. The NCDOT Bridge has been discussed and some concepts have been presented. Options have been looked at on how to have a bridge independent of the

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Dam and a single lane versus a double lane bridge. A downstream access road has potential for impasse due to extreme flooding and alterations to the access road would be required for Alternative 2B.

Mr. Pittman stated that it's difficult to estimate a service life for the Dam. Alternative 1 could vary depending on multiple factors but could extend the service life 30-50 years. Alternative 1 will have a shorter service life than the infilling alternative and requires more maintenance than the other alternatives. He noted that there are technical concerns with Alternative 1 in regards to hydraulic performance and seismic and structural performance. Alternative 2B extends the overall service life to 75+ years. Both alternatives meets the NC Dam Safety criteria. The construction schedule (bridge excluded) for Alternative 1 is 24-30 months and Alternative 2B is 30-36 months. This includes a single mobilization and not phasing the work.

Mr. Pittman noted that structural risks are greater for Alternative 1 and foundation risks are greater for Alternative 2B. Alternative 1 will have fewer environmental impacts than Alternative 2B but permitting requirements are likely similar. Draining the lake is a significant environmental consideration. There are no permanent modifications for either alternative but reservoir levels would need to be lowered 10-15 feet during the significant portion of the construction period for either alternative. The level of maintenance is likely significantly greater for Alternative 1. Restricted lake use for potentially multiple seasons for both alternatives. The public access road across the Dam would not be there for 2-3 years potentially. Alternative 1 construction costs are around \$30 million (excludes bridge) and around \$50 million (excluding bridge) for Alternative 2B. Engineering services will likely be about 15% of construction costs.

Mr. Pittman stated that a new gravity dam downstream of the existing dam would require additional environmental permitting but would have a service life of 100+ years. The costs of this alternative is in-line with Alternative 2B, around \$50 million for construction without hydro. Additionally, hydro costs would be around \$15-\$20 million and engineering services will likely be about 15% of construction costs. This alternative cannot be phased out. Complete draining of the reservoir would not be required. Demolition of the existing dam could be done underwater and is a primary advantage of this alternative. It would reduce operation and maintenance costs and would not impact the reservoir. He explained that the most advantageous alternative is the dam replacement alternative noting that the rehab alternatives are similar in comparison.

Mr. Pittman provided an overview of the reservoir drain. Constructing the reservoir drain as the initial phase of work allows for critical sewer repairs and funding in-place for sewer repairs, provides benefits for lake dredging, and addresses NC Dam Safety requirements and reduces dam safety risks. If a rehab alternative is chosen, a remote operated vehicle would be needed to further investigate. The town should coordinate with NCDOT and NC Dam Safety to agree on a path moving forward.

IV. QUESTION AND ANSWER SESSION WITH SCHNABEL ENGINEERING

Mr. Pittman conveyed that they are confident with their cost estimate noting that the costs are appropriate based on the work done and the consultants they have brought in to assist. Environmentally they do not feel there would be huge mitigation and permitting costs unless looking at a dam replacement. Rehab alternatives do not have significant costs associated with them. He also stated that doing away with the powerhouse would take away a significant source of revenue for the Town. He mentioned that the gravity sections do not meet sliding stability which is why anchors would need to be added. The entire structure is in compression due to the weight of the water. Mr. Pittman noted that additional discussion would be needed.

V. DISCUSSION BY TOWN COUNCIL, UAB, AND STAFF

During discussion, Commissioner DiOrio stated that Council feels the reservoir drain would achieve a level of dam safety and would expose a portion of the backshore area where access is needed for the sewer system. Going down an additional 10-12 feet allows access to install and maintain the sewer system and benefits as a cost avoidance in the future for rehabilitation of the sewer treatment. It would also expose a majority of the lake where sedimentation collects. He also noted that lowering the lake with the drain exposes portions of the Dam they cannot get to for inspection. Commissioner Kilby added that costs and the economic devastation the lake being drained would have on the Town should be considered.

VI. BREAK

Town Council called for a 15 minute break. The meeting reconvened at 10:00 a.m.

Mr. Riddell asked what management, guidelines, rules, and restraints would be imposed if the Dam was a FERC (Federal Energy Regulatory Commission) regulated dam. Mr. Pittman answered that they would need to talk to FERC about it but there would be some additional dam safety requirements, additional inspection requirements, and other administrative requirements that are somewhat more stringent than other dam safety requirements. However, design criteria is not substantially different. Mr. Wright mentioned that one disadvantage of Alternative 1 is that operation and maintenance costs are going to be much higher and service life would be much shorter compared to other alternatives. Dam replacement would have the lowest O&M cost.

Mr. Glassen asked if a calculation has been attempted on the loss of power generation over a 36 month construction period. Mr. Pittman stated that it was not part of the Scope but would be a prudent exercise to go through to decide the most appropriate alternative for the Dam.

VII. PRESENTATION BY LABELLA ASSOCIATES
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(Presentation attached)

Mr. Reese Walsh conducted a presentation on the On-call Engineering Services Technical Memorandum, Task 2 authorization, and road map and provided a project background. He explained that the subaqueous sanitary sewer system was completed with the Dam in 1927 and serves public/private connecting systems in Rumbling Bald, Chimney Rock Village, Blue Heron Point, and Lake Lure Village Resort. The system was installed using various methods and installed along the existing grade. The Wastewater Treatment Plant (WWTP) was constructed in 1969 to stop discharge into the Broad River. In 1991 the Dam was renovated and converted to a physical-chemical process. Mr. Walsh briefed on some of the recent projects with the Dam and showed a video of leaking pipe joints recorded in 2007. He conveyed that the WWTP has a legacy of noncompliance due to its inability to meet NPDES effluent limits. There will be social, environmental, and economic impacts to the Town if the lake is drained.

Mr. Walsh provided an overview of the Subaqueous Sanitary Sewer (SASS) alternatives. He highlighted on the benefits and liabilities of five alternatives to the SASS: Backshore Low Pressure Sewer System, Backshore Series Pump Station System, Backshore HDPE Gravity/Lift Station System, Subaqueous Accessible Manholes, and Repair & Rehabilitation Perimeter Manholes (partial solution). He stated that the goal is to get the private laterals out of the lake with all of the alternatives.

Mr. Walsh then provided an overview of WWTP alternatives. The three broad categories for the Plant alternatives are relocation, rehabilitation, or bulk transfer. The WWTP alternative process is not as developed as that for the SASS. Until the major infiltration and inflow issues are resolved, the Plant cannot return to a biological process. Mr. Walsh noted that the SASS will have to be replaced in phases. The bulk conveyance alternative was originally proposed to replace the Plant but this alternative cannot be considered until issues with the SASS have been resolved. This alternative would take the WWTP offline and would eliminate the NPDES permit. Also, an agreement with Spindale would be needed prior to proceeding with design and permitting of this alternative.

Mr. Walsh recommended Council authorizing Task 2 for alternative analysis. He provided an overview of Task 2 – SOC/ER-EID/Alternative Analysis and preliminary task descriptions. There will be four tasks as follows: Task 1 – Technical Memorandum (complete); Task 2 – SOC, ER-EID, and Alternative Analysis; Task 3 – Design, Permitting, Bidding; and Task 4 – Construction Management. Additional tasks included based on funding will be design, permitting, bidding and construction management. He stated that construction must be done in phases and he provided an overview of those phases. As inflow and infiltration is eliminated, the Town may need to rehabilitate the Plant to meet those limitations until it can be converted back to a biological plant. A sewer access valve installed in the existing dam would address NC Dam Safety requirements, provide a mechanism to drain the lake, provide additional access to the

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backshore, provide improved working area for SASS replacement and protection for SASS catastrophic failure, and would provide flexibility with dredging. Mr. Walsh pointed out that the initial schedule in the Tech Memo was aggressive for construction and that window is rapidly closing. He discussed a preliminary schedule noting that they would like to begin immediately upon authorization. The schedule will be updated upon completion of Task 2. Task 2 proposal costs are \$170,000.

VIII. QUESTION AND ANSWER SESSION WITH LABELLA ASSOCIATES

Ken Pohlig of NC Division of Water Quality asked about the dam bottom drain. Mr. Walsh explained that it was discovered that the lake could not be lowered as low as previously thought. He stated an inverted siphon to draw the water below the spillway was discussed with Schnabel which in turn led to a discussion of a drain at a higher elevation. Discussion ensued regarding elevation levels and a location for the drain. It was noted that the drain would provide access for construction. The better the working condition in the backshore and the more elevation to be utilized, the better the terms of many of the alternatives to reduce construction costs, enabling more construction to maximize all funding available. Putting this in prior to construction of the replacement alternative would immeasurably benefit construction of replacement and provide insurance for catastrophic failure and insurances for the Dam. There are a lot of benefits with not a lot of liabilities.

IX. DISCUSSION BY TOWN COUNCIL, UAB, AND STAFF

Mr. Glassen asked if the scope has been investigated for each phase. Mr. Walsh noted that this is part of Task 2 and has not been done yet. Mr. Pohlig asked if sewer could proceed without the bottom drain and what the costs would be. Mr. Walsh stated the sewer project could proceed without the drain but would limit the elevation they could use to access it during the future. He noted it would also make construction more difficult and would require more pump stations. He stated the costs would be around \$2-\$2.5 million.

Anita Robertson with NC DEQ-DWI asked about the environmental impact of draining the lake. Mr. Walsh stated social and environmental costs to drain the lake to replace the sewer system would be catastrophic. This is not an option they would pursue unless it must be done for the Dam.

Mr. Pohlig asked about the costs associated with improvements needed for the sludge holding tank. Mr. Walsh stated that it would have to be looked at as part of Task 2 to identify what needs rehabbed or replaced to continue operating the Plant until it can be completely rehabilitated or replaced.

Mr. Wright asked about construction noting that the backshore can be quite muddy. Mr. Walsh mentioned that some of the alternatives could be installed by horizontal directional

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drilling. The backshore can be quite muddy and the more water that can be pulled out by the sewer access valve, the easier it is for construction. He stated that they want to improve the construction area as much as possible. Mr. Wright noted that there appears to be a timing issue and questioned what happens if the ultimate grand solution cannot be approved in time. Mr. Walsh conveyed that they would like to finish some of the construction this year and coordinate with Mr. Wright and the Town to move forward. Their goal is to have the rehabilitation as part of their project and work with the Clear Water State Revolving Fund (CWSRF) as part of the process. He stated that they would need to consult with the environmental stakeholders about installing a drain, even if it is not required at this time. There is a certain rate at which the lake can be lowered and the attempt with the drain is to match that rate by opening the valve to maintain the rate down to a certain level for construction. Mr. Pittman added that installation of the dam bottom drain would be about three months. Mr. Walsh pointed out that all environmental concerns must be addressed first.

Mr. Walsh explained that the existing WWTP is in the floodplain and replacement of the Plant must be done outside of the floodplain. Ms. Robertson noted that environmental evaluation is needed prior to any work being done.

ADJOURN THE MEETING

With no further business, Commissioner Patrick Bryant made a motion to adjourn the meeting at 11:00 a.m. Commissioner David DiOrio seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol Pritchett



MINUTES OF THE SPECIAL WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD WEDNESDAY, MARCH 25, 2020, 8:00 A.M. AT THE LAKE LURE MUNICIPAL CENTER

PRESENT: Mayor Carol C. Pritchett, via telecon
Mayor Pro Tem John W. Moore, via telecon
Commissioner Patrick Bryant, via telecon
Commissioner David DiOrio, via telecon
Commissioner John Kilby, via telecon

STAFF PRESENT: Shannon Baldwin, Town Manager
Mitchell Anderson, Community Development Coordinator
David Arrowood, Public Works Director
Dean Lindsay, Hydro Plant Manager
Dean Givens, Parks, Recreation, & Lake Director
Sean Humphries, Police Chief
Sam Karr, Finance Director
Laura Krejci, Communications Coordinator
Michelle Jolley, Town Clerk, via telecon
Dustin Waycaster, Fire Chief

OTHERS PRESENT: Kurt Wright, SDG Engineering
VIA TELECON Seth Robertson, WR Martin/Withers Ravenel
Steve Miller, Withers Ravenel
Jonathan Pittman, Schnabel Engineering
Maurice Walsh, LaBella Associates

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol Pritchett called the meeting to order at 8:00 a.m.

II. APPROVE THE AGENDA

Commissioner John Moore made a motion to approve the Agenda, as presented.
Commissioner John Kilby seconded and the motion carried 4-0.

III. REVIEW AND DISCUSSION OF THE 10 YEAR CAPITAL IMPROVEMENT PLAN
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Mr. Robertson reported that the basic financial analysis has been completed and needs to be reviewed to make any necessary revisions. The Town has tremendous needs coming at tremendous costs, i.e. dam and sewer projects. The General Fund is in overall good shape; however, there are some cash flow issues with the Water, Sewer, and Electric Fund and a few options and scenarios will be presented.

Mr. Miller provided an overview of the Water and Sewer Fund Capital Improvements Plan (CIP). The grand total of capital outlay for 10 years is a little over \$41 million. The vast majority is supposed to be paid for by three different debt issuances. He briefed on the existing debt for water and sewer and provided line item details on the water and sewer cash flow. Mr. Robertson noted that there will be a substantial increase but could potentially be buffered some by pushing future projects out 2-3 years. Mr. Miller stated the less revenue received yields a less benefit the Town receives by increasing rates. Mr. Baldwin asked that Labella think about approaches and strategic moves to pick up extra users and expand user base. He also mentioned the idea of bringing in scientific management with asset management planning to move forward. He mentioned that \$12.5 million for the Subaqueous Collection System rehab and Wastewater Treatment Plant will likely carry the Town longer than 2021 as shown in the water and sewer CIP. Mr. Wright felt it would be beneficial to share these fund tables with the legislatures to show the financial issues the Town faces, noting that a legislative write-in is needed. Mr. Robertson added that a legislative write-in is typically \$1-\$2 million but opportunities for additional funds are possible.

Mr. Miller provided an overview of the Electric Fund CIP. The grand total of the electric fund is slightly over \$51 million. The most influential cost in this CIP is the dam structural renovation. There are two different scenarios for the Dam; rehabilitation or replacement. Mr. Pittman pointed out that there is time to shop around for the Dam noting that it is not as urgent as the subaqueous sewer system. NC Dam Safety has not provided formal feedback or a formal request on a timeframe that the Dam issues need to be completed by. Mr. Baldwin mentioned that Schnabel's reports have de-escalated concerns with the Dam allowing more time to deal with those concerns; however, the Town needs to show deliberate moving forward. Adding the valve to the Dam as a safety mechanism shows NC Dam Safety that the Town is serious about the issues with the Dam. The valve reduces the negative impact on people downstream. Commissioner DiOrio felt it is very important to make the Dam renovation its own enterprise because the decision is independent of the CIP decisions year-to-year for the Hydro Plant. He recommended splitting the Water and Sewer Funds into two separate enterprises. Mr. Robertson agreed; however, he explained that both revenue sources are needed to cover the Electric Fund expenses. Since the Electric Fund cannot source the Dam, he suggested pulling the Dam out of the Electric Fund and putting into the General Fund. There are two potential revenue sources for the Dam: ad valorem tax resources and grants. It is much cleaner to keep hydro separate.

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Mr. Miller reviewed the cash flow with the Electric Fund noting that the program is expected to operate at a loss this year. The primary factor being the high service charges each year for the Dam but the Town can control how to take advantage of the water that does fall. Mr. Baldwin noted that the Town does not set the rate for what Duke Energy pays the Town and cannot control the amount of rain that falls to produce power. He mentioned that the new plant director will help to improve operations at the Plant.

Mr. Miller provided an overview of the General Fund CIP. There are quite a few grant projects included. The grand total is a little over \$13 million. There are 15 different projects with several maturing this year, freeing up some capacity for the General Fund. The total of debt service for projects this year is around \$418,250. Mr. Miller noted that expenses are greater than the revenues coming in; a shortfall of \$395,000. He pointed out that boat permits are budgeted at \$430,000 and \$90,000 is expected from slip rentals. He stated that recreational fee revenue sources can be adjusted if the Town wishes. One option to make up the difference in shortfall is to increase the fees to ad valorem taxes. Commissioner DiOrio suggested reducing expenditures. Mr. Wright explained that the silt buildup in the bays could be pushed towards the center of the lake as a one-time process to decrease expenditures. By pulling the lake down, areas of gathered sediment would be exposed and could be spread on the lake bottom to not negatively affect the infrastructure. Mr. Baldwin suggested verifying that there will be enough dredging funds available to keep the constant dredging process going if the lake is pulled down to move sediment around. Mr. Wright mentioned that a masterplan for sediment control has been discussed. The installation of sediment traps is a capital cost; however, once installed they require regular maintenance which is not currently in the whole paradigm of the Town. Commissioner Kilby asked if NC DEQ or the US Army Corps of Engineers (USACE) have given approval from an environmental standpoint to move sediment around in the lake. Mr. Givens stated that several years back the Town was granted approval from the USACE to pump sediment to the center of the lake. Mr. Anderson reported that confirmation from the Division of Water Resources and USACE would be needed before moving sediment. He stated that a permit may be needed and he could make some calls to find out.

Mr. Miller provided an overview of cash flow and line items in the General Fund. Revenues are expected to be over \$7 million this year and \$5.5-\$6 million each year for the next 10 years. Expenditures will be growing at a greater rate than revenues due to inflation. The tax rate is currently 36 cents on the 100 and expected to increase by 1.5 cent each year. He noted that the numbers for dam work were not included into the General Fund and would significantly change with those costs added in. Mr. Baldwin pointed out that the draft CIP is based on department head guess. Using an asset management plan approach would help increase numbers in the CIP. He also mentioned that a tax rate increase is sometimes better to increase above what is needed for the next 4-5 years.

Commissioner DiOrio pointed out that the taxes from fire district and property assessments should be broken into separate line items to balance the fire portion based on what fire and EMS costs are for two reasons. The CIP for fire is based on fire rating. Matching those offers protection to make sure money goes to the right place. If there is a tax increase, residents

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will see why fire has increased. Mr. Baldwin added that it also shows that the Town is providing services to people beyond Lake Lure. The Town also provides EMS and rescue to a growing state park, in which the Town receives no money for to provide those services.

Mr. Miller showed a comparison of the Town's ad valorem taxes to three different peer groups with a similar mean household income, within a 50 mile radius to the Town, and similar population as Lake Lure. The Town fell below the rates from towns compared within a 50 mile radius, the Town's rates were in the center of the comparison of peer groups with similar mean household incomes, and compared in the middle of the range as other towns compared with a similar population.

IV. BREAK

Council members took a 10 minute break.

VI. REVIEW AND DISCUSSION OF THE FY 20-21 BUDGET PROCESS

Mr. Baldwin noted we should keep in mind the cost of operating the Golf Course and CIP items linked to managing the Golf Course as it is managed now. Commissioner Kilby commented on how the Golf Course is affected by tourism noting that it is utilized by visitors. He suggested keeping a daily log of players, their names and addresses, and acquiring some information and history that will help the Town make a decision on whether or not the Golf Course is serving the community enough to continue funding every year. Mr. Baldwin noted that Mr. Givens is working with the current owners to begin collecting that information at this time as they have had this discussion already. Mr. Karr mentioned that they looked at memberships 5-6 years ago and Lake Lure citizens were around 40%. Mr. Givens noted that this information is what he is working on gathering now. Mr. Baldwin commented that this operation is on the radar as to whether this asset continues as a golf course or if it changes to another asset to the Town.

Mr. Baldwin also stated that one other area to consider is that property owners paying taxes are also paying the water and sewer rates. So if the taxes and rates are increased, that will impact and affect the property owners here who are paying both of those rates. Having the graphs to show impacts on the residents would be nice to have. Mr. Baldwin reported that one of the benefits of a properly conducted asset management plan is the element of risk. Calculating risk for each major asset will inform your CIP much better. Mayor Pritchett noted that the asset management plan has to be implemented and costs will be incorporated.

Mr. Wright recommended that WR Martin develop two sets of Models. The first set "shows all the pain", presents the "good-bad-ugly" of what we are facing. It would also show the revenue that can be generated if the Town were to raise the rates/ad valorem taxes to the highest in the State. That will be a tool that the Town can use to show advocates/legislators that the Town cannot fund all the infrastructure improvements on their own. The second Model is the

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Town doing what it can to keep the General Fund solvent and pay what they can to improve the sewer system.

Mr. Wright noted that a portion of the operation budget should be set aside each year to start funding an asset management plan. This is a constant updating of the Town's assets on an annual basis. Mayor Pritchett stated she is hugely in favor of an asset management plan and felt that moving forward we should embrace it.

Mr. Baldwin asked that Mr. Robertson lay out next steps on the process in the calendar. Mr. Robertson felt that they could meet our calendar and the next step is to get feedback on the next scenario and funding models, phasing, timing, and several other aspects. They will then bring another presentation forward for further review and discussion. He stated he could send out a follow-up email on items discussed today and then a brief smaller meeting could be held to nail down alternatives and he could provide written feedback on scenarios. Commissioner DiOrio asked to incorporate two scenarios when incorporating the Dam renovation into the General Fund: impact on tax rate assuming the Dam renovation and rate associated to cover the Dam work.

ADJOURN THE MEETING

With no further business, Commissioner David DiOrio made a motion to adjourn the meeting at 10:51 a.m. Commissioner John Kilby seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol Pritchett



**MINUTES OF THE SPECIAL WORKSHOP TELECONFERENCE MEETING OF THE
LAKE LURE TOWN COUNCIL HELD WEDNESDAY, APRIL 15, 2020, 2:00 P.M. AT
THE LAKE LURE MUNICIPAL CENTER**

PRESENT: Mayor Carol C. Pritchett
Mayor Pro Tem John W. Moore
Commissioner Patrick Bryant
Commissioner David DiOrio
Commissioner John Kilby
Shannon Baldwin, Town Manager
Michelle Jolley, Town Clerk
Sam Karr, Finance Director
Kurt Wright, SDG Engineering

ABSENT: N/A

I. CALL TO ORDER

Mayor Carol Pritchett called the meeting to order at 2:00 p.m.

II. APPROVE THE AGENDA

Commissioner John Moore made a motion to approve the Agenda as presented. Commissioner John Kilby seconded and the motion carried 4-0.

**III. INFRASTRUCTURE WORKSHOP WITH SDG ENGINEERING TO
SECURE FUNDING FOR INFRASTRUCTURE**

Mr. Baldwin provided an overview stating that the Town cannot self-fund its sewer project, dam renovation or a new dam and outside resources are needed to help. He noted that Mr. Wright put together a proposal to help lobby for needed funds. Mr. Wright then put together a list of PR firms and lobbyists for Council to review to help the Town in its efforts to lobby for funds.

Mr. Wright shared his thoughts based on his research. He mentioned that he randomly called NP Strategy from the list and had a lengthy conversation with Ernie Pearson. Mr. Pearson was very enthusiastic and has a lot of connections in western NC. He expressed intimate

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knowledge of Lake Lure, the area surrounding Lake Lure and the larger western NC region around Lake Lure and has over 40 years of experience.

Mr. DiOrio noted that a decision needs to be made on whether to replace or repair the Dam first. Mr. Baldwin conveyed that there are four alternatives relative to the dam: do nothing, renovate as is, a new dam without hydro, or a new dam with hydro. Mr. Wright shared two recent news reports regarding two trillion dollar infrastructure packages as a result of the coronavirus pandemic. He pointed out that stimulus payments were sent out in 2009 and only minimum information was needed to get money. He mentioned that enough money could be available that building a new hydro-plant may not be an issue. Commissioner DiOrio commented that a new dam is needed because the current one has met its service life. Mr. Wright added that a new sewer system is also needed.

Mr. Wright explained that there may be green energy components in the infrastructure bill noting that the Dam is green energy. The Town could potentially get 150 million for both the sewer and the Dam. Commissioner DiOrio asked how long it would take Schnabel Engineering to put forth a proposal and Mr. Wright stated 30 days. Mr. Wright pointed out that the Town does not have the funds to repair or replace the Dam and therefore he suggested lobbying money to replace. Commissioner Bryant asked how much direct experience Schnabel and LaBella has lobbying for funding versus capital investment and if they have lobbying experience. Mr. Wright stated that the two firms may not have much experience but that they are both successful in getting projects done. Mr. Wright recommended a committee formed to interview firms. Then put the firms into two categories: firms who are well connected with state and federal legislatures and firms with high credentials with large success but no connections with legislatures. He suggested looking at the firms who have legislature connections. Once someone is chosen, he suggested having a meeting with them to see what information they need from the Town.

Mayor Pritchett stated that the scope of work needs to be well defined and a determination should be made as to whether or not Council wants a dam with or without a hydro-plant before entering into a relationship with a PR firm that will represent Lake Lure in lobbying for infrastructure funds. Council members agreed that they would feel comfortable with tasking Mr. Wright to select a few firms to bring back as a recommendation. Mayor Pritchett suggested looking at the rates based on the needs of the Town before selecting a firm.

Commissioner Moore made a motion to form a committee with Kurt Wright, David DiOrio, Patrick Bryant, and Shannon Baldwin to get started on interviewing for a PR firm and to bring in other members as needed. Commissioner Kilby seconded and the motion carried 4-0.

Commissioner DiOrio suggested informing folks at the state level of the Town's needs and what the Town is facing so that Lake Lure is kept on the radar and high priority list. Once the infrastructure bill starts to firm up, the Senator's staff will start to ask the State what their priorities are. Mr. Baldwin noted that the April 16th Special Town Council Teleconference Meeting was not needed and could be cancelled and the newly formed committee could meet at the same date and time instead and all agreed.

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Mr. Wright reported that he met with Magnatech Tuesday and noted that items 1-4 of the FM Global Report have been completed and a report will be ready before meeting with David Peckham on Tuesday. The gate hoist work is scheduled to start on Monday. Dam Operator Dean Lindsay has coordinated with Public Works Director David Arrowood and Parks, Recreation and Lake Director Dean Givens to go out on the lake with a large barge and excavator to lift the hoist up. This will take 2-3 days and should be certified by Friday, May 1st. Mr. Baldwin noted that the operational side of the budget is almost done and we are still waiting on CIP information from WR Martin. We will come back for a review hopefully sometime in May. Mr. Baldwin noted that there are two possible workshops: May 4th and May 26th for review of the CIP.

ADJOURN THE MEETING

With no further business, Commissioner John Kilby made a motion to adjourn the meeting at 3:00 p.m. Commissioner Patrick Bryant seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk

Mayor Carol Pritchett



MINUTES OF THE TOWN COUNCIL SUBCOMMITTEE MEETING HELD THURSDAY, APRIL 16, 2020, 2:00 P.M. VIA TELECONFERENCE

PRESENT: Chairman David DiOrio
Patrick Bryant, Board Member
Shannon Baldwin, Town Manager
Michelle Jolley, Town Clerk
Kurt Wright, SDG Engineering
Laura Krejci, Communications Specialist

ABSENT: N/A

I. CALL TO ORDER

Town Council voted on Wednesday, April 15, 2020 to form a subcommittee to review PR firms to help with lobbying funds for infrastructure needs for the Town.

The subcommittee meeting was called to order at 2:00 p.m.

II. APPROVAL OF AGENDA

The agenda was approved unanimously.

III. PR FIRM REVIEW AND DISCUSSION

Mr. DiOrio commented that a lobbyist, as opposed to a PR Firm, would be more beneficial in that they would have more connections on the federal level to help lobby for infrastructure bills. Mr. Wright stated that he compiled a list of PR firms based on Council discussion during their meeting on April 15th (document attached). He spoke with Ernie Pearson, NP Strategy, who expressed intimate knowledge of Lake Lure and the surrounding area in western NC. Ernie Pearson has worked with the NC Chamber of Commerce and has over 40 years of experience.

Mr. Wright commented that he has worked with Green Engineering in the past and feels that Leo Green, Jr., CEO of Green Engineering, is the most all around confident engineer he has ever met. Mr. Green has over 50 years experience in all types of engineering, concentrating on wastewater. In the past, he was appointed by Governor Hunt and served on the EMC Committee for 15 years. Mr. Green recommended that representatives of Lake Lure contact the NC

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legislature that they are most familiar with and ask if they could give a recommendation for a lobbyist or PR firm.

During discussion Mr. Baldwin commented that he would try and make contact with Congressman Patrick McHenry's office and other points of contact he has with the state legislature to get recommendations on a PR firm or lobbyist and would bring a list of recommendations back to share with the Committee. Mr. Wright suggested a face-to-face meeting in Lake Lure with the PR firm or lobbyist that Council chooses to discuss the Town's needs. Mr. DiOrio suggested that Mr. Baldwin convey the message that the Town is in need of a new dam and is struggling with the existing sewer system and mention that there is a potential infrastructure bill coming available in which the Town could use help at the state level to try and obtain this money. Mr. Wright shared how he helped the Town of Spindale in 2009 get stimulus funding to fund town projects during the recovery reinvestment act. He stated that he believes the government will offer money for infrastructure needs in order to help the economy, noting that the Dam could be converted into a green energy project. Mr. Baldwin asked that Mr. Wright put together a schedule of times to meet and speak with firms. Mr. Wright stated that he would choose two firms and add additional ones from recommendations received from Mr. Baldwin's contacts. He suggested that committee members create a document to distribute to the firms to be interviewed with a few sentences on how the Town would quantify success. Mr. DiOrio suggested simply stating that securing federal dollars for a new dam in Lake Lure and getting that federally guaranteed by grants and/or loan or a combination of the two would be a success. Mr. Wright suggested taking the chosen firm out on the lake to give them an idea of what the Town is facing in order for them to be a better advocate. He stated that he believes strongly that there will be an infrastructure bill available in the next two years. Mr. DiOrio noted that the sewer system could not be put on hold for two years and suggested moving forward to get it going by this winter. He added that phase two and three could possibly be added into the infrastructure bill.

Mr. DiOrio commented that the initial meeting with WR Martin brought to light that funding for the Dam is beyond the Town's capacity. He stated that the Dam is at the end of its service life and a new dam is needed. He noted that there would probably be a single point of contact at the state level and it would be nice to know who that is. Mr. Wright stated that it would be nice to have a good graphic of the French Broad River and the Rocky Broad River and how the dam services a multi county area. Mr. DiOrio suggested noting that point when Ms. Krejci puts together the Strategic Communications Plan. Mr. DiOrio mentioned that each Senator will have a point person that will be driving the priorities for the infrastructure bill and talking directly to them would be beneficial. Mr. Baldwin stated he would try and find out who that person is. He mentioned that we may have to end up hiring a lobbyist in Raleigh to help. Mr. Wright noted that an investment in Lake Lure is an investment in the County also and this is the message that the Town needs to promote.

ADJOURN THE MEETING

With no further business, Mr. David DiOrion made a motion to adjourn the meeting at 3:15 p.m. Mr. Patrick Bryant seconded and the motion carried 4-0.

ATTEST:

Michelle Jolley,
Town Clerk



**MINUTES OF THE TOWN COUNCIL SUBCOMMITTEE MEETING HELD FRIDAY,
APRIL 24, 2020, 8:00 A.M. VIA ZOOM**

PRESENT: David DiOrio, Board Member - Commissioner
Patrick Bryant, Board Member - Commissioner
Shannon Baldwin, Board Member - Town Manager
Kurt Wright, Board Member - SDG Engineering
Laura Krejci, Communications Specialist
Michelle Jolley, Town Clerk

ABSENT: N/A

I. CALL TO ORDER

Mr. DiOrio made a motion to open the subcommittee meeting at 8:15 a.m. Mr. Bryant seconded and all voted in favor. Mr. Baldwin and Ms. Krejci were not present until later in the meeting.

II. APPROVAL OF AGENDA

Mr. DiOrio moved to approve an amended agenda, removing the interview with Moore & Van Allen. Mr. Wright seconded and all voted in favor.

III. ORIENTATION AND PREPARATION FOR MORNING INTERVIEWS

Committee members briefly prepared for the morning interview. Mr. DiOrio noted that our on-call engineer is ready to go with the sewer system but the Town does not have the resources and needs funds from the potential infrastructure bill. He felt that once legislature hears that Lake Lure has a substantial issue it will capture their attention. Major funding comes from tax payers beyond Lake Lure. Legislature may require some changes in order to get that funding. The Committee previewed the interview questions. Mr. Wright stated that he believes there is going to be an infrastructure bill which is the only way the Town can get a new dam. A lobbyist will be positioning the Town for a new dam.

Mr. Baldwin and Ms. Krejci joined the meeting at 8:30 a.m.

Mr. DiOrio noted that the firms have been provided interview questions ahead of time. Mr. Wright noted that Patrick McHenry's name was mentioned by the company that declined to

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interview which made him very curious. Mr. Baldwin reported that he received a response back from one of his contacts, Roger Hayden, noting that they would not be interviewing. Mr. Wright stated that the influence and impact of Lake Lure goes well beyond its border and the Town can help Rutherford County to emerge. Mr. Baldwin pointed out that Rutherford County is split between two congressional districts and felt that a relationship with McHenry's district is good for the County and can work towards the Town's advantage since the County is split between two districts. District 11 is a mountainous district and those folks will have a different mindset and set of issues due to the topography and cultural differences. Understanding the subtle differences is beneficial when starting to lobby for funds. Mr. Wright pointed out that when it comes to the potential infrastructure funding bill, "renewable" energy or "green" energy might be mentioned and we should be sensitive to that. The hydroelectric facility will qualify as either one. Mr. DiOrio mentioned the funds may get bundled in different areas and we need this as a priority at the state level to get that money as it becomes available. Mr. Wright reported that the Dam could fall under the Corps of Engineers because of the flooding aspect which could be huge. Mr. Baldwin added that Lake Lure is unique in that no one else has a subaqueous sewer system under the lake. A sewer line break would affect both the lake and the sewer system. Mr. Wright noted that a confidentiality notice requirement should have been added prior to interviews.

IV. BREAK

The Committee took a 15 minute break.

V. INTERVIEW WITH NEXSEN PRUET/NP STRATEGY

Members with NP Strategy introduced themselves: Ernie Pearson (primary spokesperson), Erin Sanders, Rocky Lane, and Tom Johnson.

Mr. Pearson shared some projects his company has helped lobby funds for but noted that they have not worked with any dam projects. He has worked with private-public partnerships and some were wastewater treatment facilities. He noted that a public-private partnership with Duke Energy might be logical for the hydroelectric component but this bears some exploration. Mr. DiOrio added that it is very unusual for a municipality to operate a power plant but the Town is operating and has been selling power to Duke Energy since the early 60's. He conveyed that we are going down the path of a new dam with the potential to leverage renewable energy with a new power plant and a public-private venture to get that dam. However, when a new dam is built there is a certain amount of oversight that will be taken out of the Town's hands. The lake level needs to be kept at a recreational level. Mr. Pearson agreed mentioning that he has some background in utility rate litigation and is familiar with those matters. If Lake Lure loses recreational aspect they lose everything and he understands that. Mr. DiOrio explained that Lake Lure is high impact for Rutherford County because of the tax base and is also the commerce corridor leading to District 11, which is the gateway to commerce of western NC. Leveraging

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both corridors is needed. Mr. Pearson stated that the congressional delegation in western NC and the NC Representative for appropriations is David Price and he knows him. He's a democrat who is interested in green energy and if an infrastructure project is tied to green energy it will spark his attention. Mr. Wright noted that the only way to get a new dam is to get major funding from an infrastructure bill. Regarding that type of funding from an infrastructure bill, it may be that using the "renewable" or "green" energy component (which is legitimate) is a good way to shape the opinions of the local representatives who can help get the funding. It helps sell the argument for Lake Lure. Renewable energy is a strong component to this. Mr. Pearson mentioned that this is a balance and is a regional issue. There are four centroids of growth: Cherokee area, Boone/Blowing Rock area, Asheville area, and Lake Lure/Chimney Rock/Hickory Nut Gorge area. He stated that he would also add Burke County and Transylvania County as the fourth centroid noting that they have many contacts there. The more people you pull together the bigger your team is. An economic impact analysis will show that if something is not done there will be an interruption with travel and tourism in the entire region. He stated that they would then gather letters of support from other towns and organizations in the region. An economic impact analysis is important. Most visitors come to visit the region, not just one area. He stated that the Town must raise an alarm bell to motivate this region, congressman, and senators for support but not in a way that would create a panic to people who live around Lake Lure.

Mr. DiOrio noted that the Dam is in fair condition and not in imminent failure; however, it does not meet modern standards because it is not a modern dam. If it gets to a point and degrades down from fair condition, the Town would have to drain the lake to build a new dam. We need everything in place to go from a full pond dam to a brand new dam without having a six year gap to drain the lake which is an economic impact issue. Mr. Wright added that the engineers are predicting a significant problem in the future and we need to fully inform state legislatures so that they are aware. Mr. Baldwin explained the Town's history with past engineers. The Dam is in fair condition but is reaching the end of its service life and has to be replaced. We need funding from the state and feds as it serves the entire region.

Mr. Pearson pointed out that Mark Bellissimo, managing partner with the Tryon International Equestrian Center at Tryon Resort in Mill Spring and owner of The Lodge on Lake Lure, has direct and heavy ties into the Trump administration. Mark Meadows, Chief of Staff to President Trump and a former representative for North Carolina's 11th District does too noting that they can leverage them. He stated that if he needs to get somebody in Congress he has contacts. He also commented on other contacts he has at the state level. Mr. Pearson conveyed that if they represent the Town one critical component needed is a thorough debriefing session to understand where the Town is. Mr. Wright asked about their fee framework. Mr. Pearson stated they cannot do an assessed fee as lobbying on an assessed fee is prohibited. Therefore they would do an hourly or flat fee basis but would need to sit down with the Town to get an understanding of what the Town is looking for and a starting time. Once they understand a scope of work they can then give a flat fee.

Mr. DiOrio asked about the potential for an infrastructure bill and if the effort needs to be on the horizon. Mr. Pearson suggested moving forward regardless. He stated that things have

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become so partisan and there is a lot of interest in infrastructure which is bipartisan. He recommended that Town start moving forward with work now and then tying the bill in when funds are available. He noted that Ms. Sanders would create a contact list on who contacted whom which is extremely important in a multiparty team so that everyone knows who is doing what. Mr. DiOrio noted that a strategic communications plan has already been started. This would be forwarded to Ms. Sanders to look over in order to provide some feedback. Mr. Pearson noted that Ms. Sanders will be focusing on the messaging. Ms. Sanders stated that Jean Cecil Frick is one of her partners and she owns property in Lake Lure, as well as Barry Wyn. She can help rally some of the local residents as well. Mr. Pearson stated that he could meet at a later time to talk more in depth. He noted that he stays very busy but is really motivated for this. He loves innovative challenges and winning. Committee members thanked the members of NP Strategy for their time.

The Committee briefly discussed their thoughts from the interview. Mr. DiOrio mentioned that they have good connections but is not clear on how they handle their fees. Mr. Baldwin stated he would like to get Ms. Sanders' feedback on the strategic communications plan before choosing a firm. He felt that Mr. Pearson has the right personality to help speak with legislature and lobby for town funds. He likes that they understand the area and the fact that they are streaming together the idea of tourism. Mr. Wright suggested an email to let them know that this unofficial document is confidential. Mr. DiOrio stated that he likes the connection they have with DEQ; a former commissioner of DEQ and having experience with wastewater treatment is a plus. He also liked his contacts he has with Mark Bellissimo. Mr. Wright stated that he also likes that Mr. Pearson has negotiated for energy crisis in all the military bases. Mr. Bryant suggested getting some of the other advisory boards focused on pushing their energy on these avenues to strengthen our position.

VI. LUNCH

The Committee took a lunch break.

VII. ORIENTATION AND PREPARATION FOR AFTERNOON INTERVIEWS

The Committee reconvened at 1:00 p.m. to move forward with the next interview.

VIII. INTERVIEW WITH THE POLICY GROUP

Members of The Policy Group, Steve Metcalf and John Metcalf, introduced themselves. Mr. Wright briefed on Lake Lure's very unique infrastructure issues with the sewer system in the lake and the aging dam that needs replaced, conveying that a community of 1,200 cannot fund a new dam.

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Mr. Steve Metcalf explained that he understands infrastructure issues as he was a previous Town Manager with Buncombe County and faced many infrastructure challenges while there. He stated that they want to learn more about Lake Lure's specific issues and problems to try and come up with a an understanding to develop a strategy. Mr. Metcalf noted that he also served three terms in the State Senate and has lobbied for the state government for the last 16 years. His son, John Metcalf, has been working alongside him for the past 10 years. He pointed out that he has had many employees who have branched off of his firm to start their own and he still maintains those contacts.

Mr. DiOrio briefed on the details of Lake Lure's infrastructure needs noting that the Dam is still safe but is nearing the end of its service life. He explained that there is a potential infrastructure bill at the federal level that may filter down to the states that would help fund a new dam. The Town also needs additional resources for the sewer system. The Town is needing assistance with articulating a message to be prepared to lobby for federal and state funds.

Mr. Metcalf commented that he understands that the lake is the most important asset and all of western NC is impacted as well as the Town's property values. He mentioned that sewer problems are tough problems and we need state legislature to understand the importance of the Town's issues. The proximity to Chimney Rock and a state park is an advantage. Mr. Baldwin pointed out that the monolith, the rock itself, is in the Town of Lake Lure and the view shed from the Rock is the lake. If the lake goes away, the view shed is drastically impaired. Mr. Metcalf noted that if the federal government comes out with an infrastructure bill the State will be designated as the distributor and members of the NC general assembly will come into play as it affects their districts. Mr. John Metcalf underscored what had been said about the view shed and how it would be significantly impacted noting that a large net should be tasked at a state effort. He stated he has a great relationship with clients of his in the western delegation to help steer head the effort noting that the message must be broad. Consequences if the Town does not get the funding needs to be discussed. Mr. Metcalf noted that they have great relationships with the Department of Cultural Resources mentioning that there many issues that a number of folks would probably take interest in.

Mr. DiOrio pointed out that the Town is in District 11 but the County is split into 2 districts; District 11 and District 5. The Town is the commercial gateway to the western mountains between Charlotte and Asheville. Lake Lure's tax base keeps Rutherford County afloat which could be used as leverage. Mr. Steve Metcalf commented that he was in the State Senate with Representative Fox and knows her well. Mr. DiOrio pointed out that The Town needs the most help at the political level for the awareness to hopefully flow some resources to help execute what the Town has already established and knows to do. Mr. Baldwin stated that a strategic communications piece has already been put together that provides that messaging and communication framework to be ready when the doors open. Outside resources are needed as the Town cannot self-fund the debt service. An approach to get outside funding from our elected officials is needed.

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Mr. Wright explained that the Town has legacy issues with the Dam and sewer system. Schnabel Engineering was hired for the Dam piece and their work is strong and unquestionable. The Town has great representation and more than adequate support when it comes to the Dam. The Town has hired a new engineering firm, Labella Associates, to help with the sewer piece and they are engaged in preparing a recommendation but are still evaluating alternatives. They will provide robust engineering support. WithersRavenel was hired to help with the financial piece. They have a 10+ year Capital Improvement Plan to show what needs to be done to properly operate the Town and what it is going to cost. He stated that we are going to ask them to do a comparative study with other towns of the same size of the ad valorem taxes, sewer rates, and water rates to see where Lake Lure ranks. Then a paper study will be done to see how much additional money would be generated per year from a rate increase. What the Town generates is a drop in the bucket of what is needed and this will be a tool to show this to the elected officials. 1,100 people cannot replace the sewer system under the lake and build a new dam. Mr. Metcalf noted it must be demonstrated that the Town cannot support these infrastructure improvements. The alternative is that we lose Lake Lure.

Mr. John Metcalf asked how many seasonal people come through Lake Lure and Mr. Bryant stated that numbers could easily push up towards a million. He noted that this number is hard to track but the Lake Lure Flowering Bridge and State Park has a good track on those. Mr. John Metcalf commented that he has a PR background and feels that they know all the right players on the state level to get Lake Lure's message out there. He would like to broaden the effort to be more of a grassroots campaign. He feels that NC DEQ and Secretary Hamilton would be very interested. Mr. Steve Metcalf stated that the Chamber of Commerce and tourism groups should all be involved as well. Mr. DiOrio noted that the county level is the area we have the weakest support from. Mr. DiOrio asked if the Town should start this dialogue and move forward now if an infrastructure bill is absent and if so, how to structure a partnership in moving forward. Mr. Steve Metcalf recommended starting now. Mr. John Metcalf noted that the first thing he would do is call politicians Ralph Hise and David Rogers to make sure they are in 100%. As we start to get support from the State we will need local members more than neutral. Mr. Wright mentioned that the legislature is responsible because the infrastructure needs are beyond the Town's means. Mr. DiOrio stated the Dam is doing its job but if it continues to degrade and the lake has to be drained for years, it has an interim period of economic impact. There is an urgency but not an emergency. Mr. Metcalf stated they would be excited about this project as it is a western NC project.

Mr. Steve Metcalf explained that they do a monthly retainer. He stated the fees generally run around \$5,000 a month but everything is negotiable. Mr. John Metcalf added that they pride themselves in communication and would provide weekly updates and calls. They feel email communications and calls are necessary even if there is an uneventful week. Mr. John Metcalf is located in Raleigh and Mr. Steve Metcalf is located in Weaverville. Mr. Steve Metcalf stated that he was raised in Candler and his dad was in the textile industry. He was the first elected county manager in Buncombe. Committee members thanked them for their time. Mr. Baldwin asked if they would look over the Town's Strategic Communications Plan and provide some feedback and they stated that they would.

IX. DEBRIEFING

Committee members discussed the interviews. Mr. Baldwin stated that he really liked this group. Steve Metcalf was a county manager and he feels he understand the relationship between local government and state representatives. He understands that we do not want local opposition when we go to lobby. He feels that Steve Metcalf brings the wisdom and understands politics at an intuitive visceral level and John Metcalf brings youth, energy, and ideas. They are from this area and understand the lay of the land and know the local politicians. They undertook Harrah's which is huge. He stated that Steve Metcalf understands heavy infrastructure. Mr. DiOrio commented that a more focused approached and fewer people in the loop is an extinctive advantage noting that Steve Metcalf has those connections in Raleigh and is in the loop. Mr. Baldwin felt that Steve Metcalf has the ability to speak legislature and not annoy them. Mr. Wright pointed out that Steve Metcalf is good with the legislative piece and Ernie Pearson would work stronger at the federal level. He did not feel that we would need connections at the federal level noting that connections at the state level is the missing link. He did not believe Ernie Pearson would be as hands-on as Steve Metcalf would be. He also felt that Ernie Pearson's fees would be higher.

Mr. Baldwin pointed out that there is a lot of expertise and synergy in this town which is of great benefit. He mentioned that if the Town chose the Metcalf's and spends \$60,000 in 12 months, so much would be learned in how to be successful in securing money. Then at the end of the year we could talk with Ernie Pearson and tell him what areas to focus on. He mentioned that he would rather start off small and strategic and learn versus spending a bunch of money upfront. Mr. DiOrio stated we could leverage all their contacts in the near term to be a good investment upfront. Mr. Baldwin pointed out that Steve Metcalf represented Buncombe County as a state representative and knows his way around Raleigh. He has a great network and is a senior member who has been around awhile and has a credibility. Mr. DiOrio suggested providing a recommendation to Council. He mentioned that the first order of business is to make state contacts. The money is probably going to come to the state and be filtered.

Mr. Baldwin noted provided an update from yesterday's emergency management team meeting. The Mayor will be signing a new declaration amending the existing one to open the lake back up and to free up the golf course. He stated he would summarize the meeting discussions and send to everyone in order to get feedback to the Mayor before she crafts a new amendment document. Mr. DiOrio recommended not opening up vacation rentals until phase two as they are the highest risk to the local population.

ADJOURN THE MEETING

Page 8- Minutes of the April 24, 2020 Town Council Subcommittee Teleconference Meeting

With no further business, the Committee members unanimously agreed to adjourn the meeting at 2:33 p.m.

ATTEST:

Michelle Jolley,
Town Clerk

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: May 12, 2020

SUBJECT: Emergency Purchase of fuel tank pump that needed to be replace before season.

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Capital Outlay

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: Purchase a replacement fuel pump at town marina.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve budget amendment # 274.

FUNDING SOURCE: Transfer from Fund Balance

ATTACHMENTS: Budget Amendment Form

STAFF'S COMMENTS AND RECOMMENDATIONS: Accept budget amendment # 274.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Marina-Capital

Purpose: To budget new replacement fuel pump at Marina before being of tourist season. Emergency Purchase.

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
567	10-80000		\$29,250	\$29,250

To provide the additional expenditures for the above, the following revenues will be increased:

Account Name: **Transfer From Fund Balance**

Account Number: **10-398604**

Amount: **\$29,250**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: May 12, 2020

SUBJECT: Hire engineer to help select Lobbyist for the Town.

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Capital Outlay

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: Town Council will pursue a lobbyist and will hire an engineer to help with the selection.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve budget amendment # 275.

FUNDING SOURCE: Transfer from Fund Balance

ATTACHMENTS: Budget Amendment Form

STAFF'S COMMENTS AND RECOMMENDATIONS: Accept budget amendment # 275.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Administration-Lobbyist Selection Committee

Purpose: To budget engineer to help town council pursue and participate in a Lobbyist Section Committee.

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
190	10-413000		\$3,750	\$103,750

To provide the additional expenditures for the above, the following revenues will be increased:

Account Name: **Transfer From Fund Balance**

Account Number: **10-398604**

Amount: **\$3,750**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: May 12, 2020

SUBJECT: Close out Greenline Fund. Zero out Fund by parent fund-Water/Sewer Fund

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Sewer/Greenline

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: Requirement to close out retiring fund to zero balance funded by parent fund.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve budget amendment # 276.

FUNDING SOURCE: Transfer from Fund Balance

ATTACHMENTS: Budget Amendment Form

STAFF'S COMMENTS AND RECOMMENDATIONS: Accept budget amendment # 276.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Green Line

Purpose: To close out Green Line Fund; parent fund-Water/Sewer to reimburse fund to zero.

Section 1. To amend the Water/Sewer Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
964	53-714000		\$1,061,835	\$1,069,335

To provide the additional expenditures for the above, the following revenues will be increased:

Account Name: **Transfer From Water/Sewer Fund**

Account Number: **53-398602**

Amount: **\$1,061,835**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: May 12, 2020

SUBJECT: To cover chemical over runs caused by sludge removal.

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Sewer

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: To cover over runs caused by additional removal of sludge at the Wastewater Treatment Plant.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve budget amendment # 277.

FUNDING SOURCE: Transfer from Fund Balance

ATTACHMENTS: Budget Amendment Form

STAFF'S COMMENTS AND RECOMMENDATIONS: Accept budget amendment # 277.

Budget Amendment #277

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Sewer-Chemicals

Purpose: To cover over runs for chemical expenses for sludge treatment. As we try to balance our sludge removal, we have incurred additional chemical cost to remove the sludge.

Section 1. To amend the Water/Sewer Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
215	53-714000		\$20,000	\$180,000

To provide additional expenditures for the above, the following revenues will be increased:

Account Name: **Transfer From Water/Sewer Fund**
Account Number: **53-398602**
Amount: **\$20,000**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION**

Meeting Date: May 12, 2020

SUBJECT: To cover over runs in attorney fees incurred throughout the fiscal year.

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Sewer

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: To cover over runs caused by additional expenses incurred by town attorney charges. With two more months left in the fiscal year, we are almost \$10,000 in the red. Budget amendment is necessary to cover the balance to fiscal year end.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Approve budget amendment # 278.

FUNDING SOURCE: Transfer from Fund Balance

ATTACHMENTS: Budget Amendment Form

STAFF'S COMMENTS AND RECOMMENDATIONS: Accept budget amendment #278.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Administration

Purpose: To cover attorney fees for the last two months of fiscal year.

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
180	10-413000		\$18,000	\$43,000

To provide the additional expenditures for the above, the following revenues will be increased:

Account Name: **Transfer From Fund Balance**

Account Number: **10-398604**

Amount: **\$18,000**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.

**LAKE LURE TOWN COUNCIL
REQUEST FOR BOARD ACTION
Meeting Date: May 12, 2020**

SUBJECT: PARTF Campground Grant and Land Loan Payoffs

AGENDA INFORMATION:

Agenda Location: Consent

Item Number: D

Department: Finance

Contact: Sam Karr, Finance Director

Presenter: Sam Karr, Finance Director

BRIEF SUMMARY: To recognize PARTF Campground grant (\$223,125) and payoff two land loans (\$204,323) and set aside \$50,000 for future PARTF Grant expenses. To completely pay balance off-we need an additional \$10,428, which can come from Debt Service Interest, which will have enough balance to cover the overrun.

RECOMMENDED MOTION AND REQUESTED ACTIONS: Accept BA#279-recongnizing the PARTF Grant and payoff of loan.

FUNDING SOURCE: PARTF Grant and already budgeted expenses for loans.

STAFF'S COMMENTS AND RECOMMENDATIONS: Acknowledge PARTF Grant and payoff existing loan on said property.

**TOWN OF LAKE LURE
BUDGET AMENDMENT**

Be it ordained by the Board of Commissioners of the Town of Lake Lure that the following amendment be made to the budget ordinance for the fiscal year ending June 30, 2020:

Department: Debt Service & PARTF Grant-Campground

Purpose: To recognized PARTF Grant (\$223,125) , set aside \$50,000 for future PARTF Grant application and payoff of the land loans on campground property. Of \$223,125 received, \$50,000 will go into fund balance for future grant expenses and balance of \$173,125 to help pay off loans of \$204,323. **Additional \$10,428 to pay off loans can be paid out on Debt Service Interest.**

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

Line Item	Account Number	Amount Decrease	Amount Increase	Amended Budget
570	10-910000		\$204,323	\$245,863
966	10-980000		\$50,000	\$137,458

To provide the additional revenue for the above, the following Revenues will be increased by **\$223,125**:

Account Name: **State Grant-PARTF**

Account Number: **10-332940**

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:

Finance Officer

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, 2020.



Town Council Subcommittee Results & Recommendations

Lobbyist Interviews

May 8, 2020

The subcommittee appointed by Town Council convened April 24, 2020 to interview two firms with very different strengths and abilities. The firms were NP Strategy (Earnie Pierson) and The Policy Group (Steve Metcalf, John Metcalf). The minutes from this interview session outline the full interview session are attached for Town Council review. After each interview the subcommittee members discussed the qualification of the firm previously interviewed and the responses received from each firm. The subcommittee agreed time was needed for the members to process the information received. After a week, below is a summary of the subcommittees input which now serves as recommendation to Town Council:

NP Strategy is more of a public relations firm rather than lobbyist. The Policy Group is more focused on legislative lobbying. Legislators respond to facts and personal relationships. Of the two firms, The Policy Group knows State level lobbying best. More than likely, that's where the Town needs to focus. The Policy Group is what the Town of Lake Lure needs to build trust and confidence with our State legislators.

Steve Metcalf (The Policy Group) has clearly demonstrated interest in the Town. If the Town selects The Policy Group nothing prevents the Town from reaching out to NP Strategy to perform certain tasks that seem to plat to their strengths. This way the Town has the best of both. This is the same strategy the Town used with LaBella and WithersRavenel.

Therefore, the subcommittee recommends The policy Group (Steve Metcalf, John Metcalf) to Town Council. The Town has our message (Strategic Communications Plan) nearly complete and should feed this to lobbyist chosen. Nothing keeps the Town from working with NP Strategy should the Town need them to lobby folks at the federal level.

TABLE 1
TOWN OF LAKE LURE
GENERAL FUND
CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
ADMINISTRATION:															
Acquire large format printer/scanner to digitize and archive old maps	Planned	22,000	22,600					22,600							
Town Center Main Street - CRSP Egress Study	Important	50,000	50,000	50,000	GRANT										
Riverwalk to Chimney Rock Village	Planned	500,000	500,000	500,000	GRANT										
ADMINISTRATION SUBTOTAL		572,000	572,600	550,000	0	0	0	22,600	0	0	0	0	0	0	0
COMMUNITY DEVELOPMENT:															
Permtting/Finance software upgrade	Important	65,000	66,950					66,950							
Rewrite Zoning and Land Development regulations	Mandated	15,000	15,000	15,000											
COMMUNITY DEVELOPMENT SUBTOTAL		80,000	81,950	15,000	0	0	0	66,950	0	0	0	0	0	0	0
PARKS & RECREATION:															
Parks, Recreation and Lake:															
Dredging "Big Dig"	Important	5,000,000	5,796,370					5,796,370	GRANT						
Boys Camp Rd. Camp Ground,	Planned	350,000	360,500	360,500	GRANT										
Amphitheater seating, & Band Shell	Planned	300,000	309,000	309,000	GRANT										
Morse Park Master Concept Plan	Planned	300,000	347,782					347,782	GRANT						
Develop Luremont Trails	Planned	100,000	106,090		106,090	GRANT									
Implement Morse Park MCP	Planned	500,000	515,000	515,000	GRANT										
BCP Trailhead Parking Lot	Planned	200,000	206,000	206,000	GRANT										
In-stream Sediment Collection Systems Study	Planned	200,000	25,000	25,000											
NC 9 Small Area Plan and Golf Course Future Use	Important	45,000	45,000		45,000										
John Deere Riding Mower	Important	15,000	15,450		15,450										
John Deere Riding Mower	Important	15,000	17,911						17,911						
Replace 2019 Chevy Colorado	Important	40,000	52,191									52,191			
Replace 2006 Chevy Colorado	Important	25,000	25,750	25,750											
Replace 2003 Chevy Blazer	Important	25,000	25,750	25,750											
Replace 2000 Chevy "flat bed dump" (Cab and Chassie only)	Important	35,000	40,575					40,575							
Police Boat 1	Important	45,000	58,715									58,715			
Police Boat 2	Important	45,000	114,209						53,732				60,476		
Work Boat 1	Important	15,000	19,002								19,002				
Work Boat 2	Important	30,000	31,827		31,827										
Beach and Marina:															
Main Beach House repairs	Planned	20,000	20,600	20,600											
Small Beach House Repairs R/R	Planned	40,000	41,200	41,200											
Golf Course:															
Cart Path Repair	Planned	25,000	0												32,619
Clubhouse Remodel	Planned	17,000	0												17,510

TABLE 1
TOWN OF LAKE LURE
GENERAL FUND
CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
Creek bank Restoration	Important	200,000	0												206,000
Clubhouse porch repair	Important	5,000	0												5,150
Equipment Replacement	Important	166,000	0												181,393
Septic System replacement	Important	20,000	0												20,600
PARKS & REC SUBTOTAL		7,778,000	8,173,921	1,528,800	198,367	0	0	6,184,727	71,643	0	19,002	110,906	60,476		463,272
POLICE:															
2021 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	33,379	33,379											
2022 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	34,381		34,381										
2023 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	35,412			35,412									
2024 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	36,474				36,474								
2025 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	37,569					37,569							
2026 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	38,696						38,696						
2027 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	39,857							39,857					
2028 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	41,052								41,052				
2029 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	42,284									42,284			
2030 Ford Police Interceptor Utility AWD Base 3.3L V6	Important	50,000	43,552										43,552		
Public Safety Building	Planned	5,000,000	0												5,000,000
POLICE SUBTOTAL		5,500,000	382,655	33,379	34,381	35,412	36,474	37,569	38,696	39,857	41,052	42,284	43,552		5,000,000
FIRE:															
Refurbish Fire Boat 1	Mandated	300,000	318,720			318,720									
Addition to the Fire Dept.	Important	300,000	318,270		318,270										
Renovations to Training Room	Important	10,000	10,927						10,927						
Fire Engine	Mandated	450,000	506,479				506,479								
Turnout gear (PPE)	Mandated	57,000	62,285			62,285									
Fire Hose	Important	10,540	11,863				11,863								
Communication Equipment	Important	10,000	10,927			10,927									
SCBA compressor	Planned	90,000	101,296				101,296								
underwater Drone	Planned	200,000	212,180		212,180	GRANT									
updated rescue tools	Planned	29,500	33,203				33,203								
Replace the service truck in use currently	Planned	42,000	47,271				47,271								
Replace the chiefs vehicle	Planned	40,000	45,020				45,020								
Lake Lure Fire Ladder Truck	Mandated	800,000	927,419					927,419							
Air Compressor for the Fire Station	Planned	150,000	150,000	150,000	GRANT										
Purchase Updated Rescue Equipment	Planned	30,000	32,782			32,782									
Update the Station Back-Up Power Generator	Important	25,000	28,982					28,982							
Automated CPR Machine, Monitor and Defibrillator	Important	25,000	25,750	25,750	GRANT										
FIRE SUBTOTAL		2,569,040	2,843,374	175,750	530,450	424,715	745,132	956,401	10,927	0	0	0	0		0

TABLE 1
TOWN OF LAKE LURE
GENERAL FUND
CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
PUBLIC WORKS:															
ADMIN:															
Truck Replacement	Important	35,000	37,132		37,132										
Tractor Replacement	Important	60,000	65,564			65,564									
Street Paving	Important	120,000	1,416,935	123,600	127,308	131,127	135,061	139,113	143,286	147,585	152,012	156,573	161,270		
Fence Replacement	Important	25,000	28,982					28,982							
Public Works Facilities Relocation	Planned	1,500,000	0												1,500,000
PUBLIC WORKS SUBTOTAL		1,740,000	1,548,612	123,600	164,440	196,691	135,061	168,095	143,286	147,585	152,012	156,573	161,270		1,500,000
DAM															
Dam Structural Renovation	Mandated	45,000,000	47,740,500		47,740,500										
Tainter Gate #2	Important	15,000	15,000	15,000											
DAM SUBTOTAL		45,015,000	47,755,500	15,000	47,740,500	0	0	0	0	0	0	0	0		0
TOTAL		63,254,040	61,358,613	2,441,529	48,668,137	656,817	916,667	7,436,342	264,552	187,441	212,066	309,762	265,299		6,963,272

DEBT PACKAGES	TOTAL DEBT	DEBT PKG 1	DEBT PKG 3											
	49,811,388	47,740,500	1,752,618											
DEBT PACKAGES	DEBT PKG 2													
			318,270											
ANNUAL DEBT	49,811,388	48,058,770	318,720	506,479	927,419									
ANNUAL GRANTS	8,578,673	2,116,250	318,270		6,144,153									
ANNUAL CAPITAL OUTLAY	2,968,552	325,279	291,097	338,097	410,188	364,770	264,552	187,441	212,066	309,762	265,299			

NOTES:
PROJECT COSTS SHOWN IN BLACK ARE PROPOSED TO BE PAID WITH CASH. PROJECT COSTS SHOWN IN OTHER COLORS ARE PROPOSED AS NEW DEBT PACKAGES.

TABLE 1-A
TOWN OF LAKE LURE
WATER AND SEWER FUND
ENTIRE CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
WATER:															
Firefly Cove Water Interconnect	Mandated	200,000	206,000	206,000											
Water Tank Cleaning	Mandated	25,000	26,523		26,523										
Digital Meters	Planned	100,000	109,273			109,273									
Engineering for interconnect	Planned	50,000	56,275				56,275								
Construction of interconnect	Planned	200,000	231,855					231,855							
Water Tank Cleaning	Mandated	25,000	30,747							30,747					
Backup Generators	Important	100,000	126,677								126,677				
Truck Replacement	Mandated	45,000	58,715									58,715			
Broad River WA Interconnect Study	Low	50,000	53,045		53,045	GRANT									
Broad River WA Interconnect	Low	500,000	0												500,000
Distribution for new customers	Low	500,000	0												500,000
Water System Master Plan		75,000	84,413				84,413								
Asset Inventory & Assessment Plan	Low	150,000	150,000		150,000	GRANT									
WATER SUBTOTAL		2,020,000	1,133,522	206,000	229,568	109,273	140,689	231,855	0	30,747	126,677	58,715	0		1,000,000
SEWER:															
Pump Repair	Mandated	10,000	10,609		10,609										
Barscreen/Pump Repair	Mandated	30,000	32,782			32,782									
Generator Replacement	Mandated	60,000	80,635										80,635		
Subaqueous Collection System Rehab & WWTP	Mandated	12,500,000	40,000,000	12,500,000	SRF Loan		13,750,000						13,750,000		
SEWER SUBTOTAL		12,600,000	40,124,026	12,500,000	10,609	32,782	13,750,000	0	0	0	0	0	13,830,635		0
TOTAL		14,620,000	41,257,548	12,706,000	240,177	142,055	13,890,689	231,855	0	30,747	126,677	58,715	13,830,635		1,000,000

DEBT PACKAGES	TOTAL DEBT	DEBT PKG 1	DEBT PKG 2							DEBT PKG 3				
	40,000,000	12,500,000				13,750,000							13,750,000	
ANNUAL DEBT	40,000,000	12,500,000				13,750,000							13,750,000	
GRANTS	203,045		203,045											
ANNUAL CAPITAL OUTLAY	1,054,503	206,000	37,132	142,055	140,689	231,855	-	30,747	126,677	58,715			80,635	

NOTES:
PROJECT COSTS SHOWN IN BLACK ARE PROPOSED TO BE PAID WITH CASH. PROJECT COSTS SHOWN IN OTHER COLORS ARE PROPOSED AS NEW DEBT PACKAGES.

TABLE 1-B
TOWN OF LAKE LURE
WATER AND SEWER FUND
MANDATED CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
WATER:															
Firefly Cove Water Interconnect	Mandated	200,000	206,000	206,000											
Water Tank Cleaning	Mandated	25,000	26,523		26,523										
Water Tank Cleaning	Mandated	25,000	30,747							30,747					
Truck Replacement	Mandated	45,000	58,715									58,715			
Broad River WA Interconnect Study	Low	50,000	53,045		53,045	GRANT									
Asset Inventory & Assessment Plan	Low	150,000	150,000		150,000	GRANT									
WATER SUBTOTAL		495,000	525,029	206,000	229,568	0	0	0	0	30,747	0	58,715	0		0
SEWER:															
Pump Repair	Mandated	10,000	10,609		10,609										
Barscreen/Pump Repair	Mandated	30,000	32,782			32,782									
Generator Replacement	Mandated	60,000	80,635										80,635		
Subaqueous Collection System Rehab & WWTP	Mandated	12,500,000	40,000,000	12,500,000	SRF Loan		13,750,000						13,750,000		
SEWER SUBTOTAL		12,600,000	40,124,026	12,500,000	10,609	32,782	13,750,000	0	0	0	0	0	13,830,635		0
TOTAL		13,095,000	40,649,055	12,706,000	240,177	32,782	13,750,000	0	0	30,747	0	58,715	13,830,635		0

DEBT PACKAGES	TOTAL DEBT	DEBT PKG 1	DEBT PKG 2					DEBT PKG 1				
	40,000,000	12,500,000			13,750,000						13,750,000	
ANNUAL DEBT	40,000,000	12,500,000			13,750,000						13,750,000	
GRANTS	203,045		203,045									
ANNUAL CAPITAL OUTLAY	446,010	206,000	37,132	32,782	-	-	-	30,747	-	58,715	80,635	

NOTES:
PROJECT COSTS SHOWN IN BLACK ARE PROPOSED TO BE PAID WITH CASH. PROJECT COSTS SHOWN IN OTHER COLORS ARE PROPOSED AS NEW DEBT PACKAGES.

TABLE 1
TOWN OF LAKE LURE
ELECTRIC FUND
CAPITAL IMPROVEMENTS PLAN

DRAFT

PROJECT NAME	PRIORITY	2020 COST	TOTAL COSTS	YEAR 1 2021	YEAR 2 2022	YEAR 3 2023	YEAR 4 2024	YEAR 5 2025	YEAR 6 2026	YEAR 7 2027	YEAR 8 2028	YEAR 9 2029	YEAR 10 2030		YEARS 11+ 2031+
Wall Fans	Planned	25,000	26,523		26,523										
Lighting	Important	20,000	21,855			21,855									
Truck Replacement	Important	35,000	37,132		37,132										
Ceiling repairs	Mandated	30,000	31,827		31,827										
Stream Guages	Important	100,000	112,551				112,551								
SCADA System	Important	50,000	56,275				56,275								
Lake Level System	Mandated	10,000	10,300	10,300											
Oil Coolers for generators	Mandated	30,000	30,900	30,900											
Tainter Gate #2	Important	100,000	15,000	15,000											
TOTAL		400,000	342,362	56,200	95,481	21,855	168,826	0	0	0	0	0	0		0

DEBT PACKAGES	TOTAL DEBT										
	0										
ANNUAL DEBT ANNUAL CAPITAL OUTLAY	-										
	342,362	56,200	95,481	21,855	168,826	-	-	-	-	-	-

NOTES:



Office of the Town Manager

TO: Mayor and Commissioners

FROM: Shannon Baldwin, Town Manager

DATE: May 6, 2020

RE: Budget Message and Proposed Budget for Fiscal Year 2020-2021

In accordance with Sections 159-11, 159-12, et. al. of the General Statutes of North Carolina, it is my duty to submit for your consideration the proposed balanced Budget for Fiscal Year 2020-2021 commencing July 1, 2020 and ending June 30, 2021. This budget is based on careful analysis of departmental operating budgets, Capital Improvement Plans created working closely with WithersRavenel, and prioritized needs as identified by department heads and in conversations with Commissioners. **In summary, the budget is balanced at a recommended tax rate of \$0.36 per \$100 of property value, same as previous year.**

This memorandum provides summaries and detailed discussion of the budgets for General Fund, Water/Sewer Fund and Electric Fund.

REVENUES

I. GENERAL FUND

Ad Valorem and Vehicle Taxes	\$3,018,049
State Shared Revenues & Grants	\$2,388,026
Installment Loan	\$84,879
Lake & Tours	\$508,550
Beach	\$50,000
Marina	\$266,500
Miscellaneous Revenues	\$79,162
Land Use Fees	\$27,600
Transfer from Capital Reserve Fund	\$325,773

TOTAL GENERAL	\$6,748,539
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II. WATER/SEWER FUND

Water and Sewer	\$1,220,110
-----------------	-------------

TOTAL WATER/SEWER	\$1,220,110
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III. ELECTRIC FUND

Electric Receipts	\$601,500
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TOTAL ELECTRIC	\$601,500
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<u>TOTAL REVENUES – ALL FUNDS(memo only)</u>	<u>\$8,570,149</u>
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EXPENDITURES

I. GENERAL FUND

Operations

Public Safety

Fire Department	\$900,721
-----------------	-----------

Police	\$828,461
--------	-----------

Administration, Finance & Technology

Administration	\$917,254
----------------	-----------

Insurance/Bonding	\$143,500
-------------------	-----------

Information Technology/Telecommunications	\$99,300
---	----------

Governing Board	\$32,300
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Public Works & Maintenance

Public Works	\$483,695
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Sanitation	\$229,400
------------	-----------

Recreation

Parks, Recreation, & Lake	\$891,494
---------------------------	-----------

Golf Course	\$106,000
-------------	-----------

Beach & Marina	\$17,500
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Community Enhancement

Community Development	\$185,333
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Economic Development	\$106,963
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Capital Outlay and Debt Service

Capital Outlay & Projects	\$1,226,329
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Transfer to Capital Reserve Fund	\$241,968
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Budget Message**May 6, 2020****Page 3**

Debt Service (all general fund depts.)

\$338,321

\$6,748,539**TOTAL GENERAL****II. WATER/SEWER FUND**

Sewer Operations	\$611,501
Water Operations	\$198,940
Capital Outlay	\$206,000
Debt Service	128,975
Transfer to Equity	\$74,694

TOTAL WATER/SEWER \$1,220,110**III. ELECTRIC FUND**

Operations	\$443,730
Capital Outlay	\$45,900
Transfer to Equity	\$111,870

TOTAL HYDRO-ELECTRIC \$601,500

**Totals all
Funds (memo
only)**
\$8,570,149

FUND BALANCES

The following information is provided regarding the fund balance or cash for the town's three operating funds and three reserve funds:

Operating Funds	<u>June 30, 2019¹</u>	<u>June 30, 2020²</u>
General Fund ³	\$2,470,189	\$2,850,000
Water/Sewer Fund ⁴	\$71,234	\$165,000
Electric Fund ⁴	\$337,088	(\$200,000)

Reserve Funds

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Bridge Preservation Fund ⁵	\$75,000	\$75,000
Silt Removal Fund	\$64,265	\$64,265
Capital Reserve Fund	\$160,770	\$76,965

- Notes:**
- 1 - From Audit Report for FY2018-19
 - 2 - Estimates provided by finance director and based upon data available on April 30, 2020
 - 3 - General Fund amounts are fund balances
 - 4 - Water/Sewer Fund and Electric Fund represent cash & cash equivalents
 - 5 - The Bridge Preservation Fund was established with \$120,000 from the NCDOT for the long-term maintenance of the old bridge across the Rocky Broad River.

PROPERTY TAX RATES AND REVENUES

Year	Property Tax Revenues		Other Revenues
2011/12	\$2,156,324	(\$0.21 rate)	\$2,161,819
2012/13	\$2,158,569	(\$0.21 rate)	\$1,660,374
2013/14*	\$2,124,073	(\$0.246 rate)	\$1,670,277
2014/15	\$2,335,023	(\$0.276 rate)	\$1,735,199
2015/16	\$2,353,184	(\$0.276 rate)	\$2,272,312
2016/17	\$2,690,014	(\$0.276 rate)	\$2,474,211
2017/18	\$2,384,895	(\$0.276 rate)	\$2,693,947
2018/19	\$3,110,792	(\$0.36 rate)	\$2,796,500
2019/20*	\$3,007,042	(\$0.36 rate)	\$4,443,802
Projected			
2020/21	\$3,018,049	(\$0.36 rate)	\$3,730,490

*The year following a countywide revaluation of property

Composition of the Local Tax Rate:

Municipal tax	23.90 cents
Fire tax	9.10 cents
Capital improvements	<u>3.0 cents</u>
Total tax rate	36.0 cents

+ Rutherford County 59.7 cents (FY.2019/20 proposed rate)

For the Lake Lure taxpayer, 38% of their property tax bill supports their Lake Lure budget and 62% supports Rutherford County's budget. The Town has no involvement in the setting of the county rates, the collection of the taxes or the spending priorities within the county budget.

A tax rate of 36 cents puts Lake Lure in line with other comparable municipalities that are responsibly funding their operations, their capital improvements and capital reserves. We looked at other

Budget Message

May 6, 2020

Page 5

retirement/resort communities of similar populations and tax valuations and found that, comparatively, Lake Lure taxpayers pay less than their counterparts in these other communities and have a significantly lower debt burden. An alternative to increased taxes is to reduce the level of town services provided, (staffing, assets and infrastructure.) Based on extensive feedback from the community over the last two years and support for the visible progress and improvements, the Council supports the current range of services provided by the town. In addition, the Council is funding direct investments in economic development to enhance the local economy.

We are proposing the same tax rate at \$0.36 this year. On tax bills, citizens will see this in two component parts: a 26.9 cent rate for municipal services and a 9.1 cent rate for fire protection services. This should generate \$3,043,049 in tax revenue on real, personal and utility property, assuming a 99.98% collection rate on motor vehicles and a 98% collection rate on property other than motor vehicles. Real estate is valued at \$831,892,723 and motor vehicles are estimated to be \$16,229,000. We have considered our projected revenues with COVID-19 in mind in with respect to our state sales tax collections and certain tourist related line items.

1. Fees and charges - All of the fees and charges for town services have been reviewed and the budget assumes no additional increase in those fees and charges.
2. Fund Balances - The proposed budget also utilizes \$325,773 from the capital reserve fund, accumulated from 3 cents of tax earmarked for capital improvements in prior years.
3. Dredging - The proposed budget includes \$425,000 for dredging-related expenses. This is part of a 10-year commitment to this critical, high-priority task as recommended by the Lake Advisory Board.
4. Additional revenues (through taxes, fees or growth in property values) or eliminate services and associated costs from the budget.
5. Increases in Operating Costs
 - a. Medical Insurance costs increased 10%
 - b. Utility Costs have increased 5%
6. Thirty-nine percent of the General Fund operating budget goes to Police, Fire and Administration services, which is common among municipalities. These services are outlined below:
 - Service Area: With a permanent population of 1,200 and seasonal population estimated at 10,000, the Town of Lake Lure covers 14 square miles [*note: it is larger than the combined areas of Hendersonville, Flat Rock, Laurel Park and 1/3 of Fletcher.*] In the five surrounding counties, only Asheville and Mills River are larger in area than Lake Lure. We have over 2,000 housing units and 51 miles of public roads separated by an 800-acre lake. There is over \$858 million in property value within the town limits.

Budget Message

May 6, 2020

Page 6

- Police: To protect the Lake Lure area effectively and safely, we have 8 patrol officers, an administrative assistant and a Police Chief. We provide 24-hour coverage by 2 officers as a crime deterrent, to provide prompt response throughout our service area and as safety backup for an officer on duty. Although we receive some support from county services (sheriff and EMS), these agencies cover a much larger region and have not committed to providing the service levels desired by the Town. We are budgeting for one additional police vehicle.
 - Fire: To provide fire protection, medical and rescue services throughout the town, we maintain a Lake Lure department (with 7 staff) and contract with 3 volunteer departments. This level of coverage affords an insurance rating that directly reduces the costs of homeowner's insurance for each structure in town by as much as 50%. The collective savings to homeowners far exceeds the total fire protection budget. The Lake Lure fire budget represents 9.1 cents per \$100 of property value. Elsewhere in the county, that cost ranges from 3 cents (Chimney Rock Village) to 18 cents (Forest City). Most common is 8 or 9 cents per \$100.
 - Administration: the following functions are provided by 7 individuals and outside contractors in the Administration budget: Executive Management, Financial Management & Audit, Town Clerk/Recordkeeping, Human Resources, Customer Service, Legal services, and Communications/Public Information services. A wage and salary study verified our wages and salaries are competitive with our peers. We are proposing an additional staff accounting position.
 - Community Development: Overall, department costs decrease due to in staffing and reorganization.
 - This budget has five different grants to help fund some of the capital projects.
2. Water and sewer operations: These are tracked in their own enterprise fund. In the last few years we have stabilized these operations and continued a program of minor repairs and improvements. Of most concern is Waste Water Treatment Plant operations, where compliance issues, challenges with inefficient plant, outsourcing operations, rising chemical costs have dramatically increased our annual operating costs. In Lake Lure, the unique challenges of our geography, age of the infrastructure and small customer base make it difficult to cover costs without setting very high rates. Several water and sewer projects are top priorities to be addressed using the Capital Reserve Fund and infrastructure loans. We will be setting aside surplus to help fund the Sewer SRL (State Revolving Loan) Fund. There are no proposed rate increases for the proposed budget.
 3. Hydroelectric generation: Revenues in the Electric Fund are conservatively projected to be approximately \$600,000. Plant improvements are budgeted as part of the multi-year capital improvement plan. Our goal is to have the small generator online before the new fiscal year begins.
 4. Golf Course – The golf course continues under the operation of the Lake Lure Golf Management, Inc. under the oversight of company president Dale Minick. The FY 20-21 operating budget includes a \$100,000 subsidy to the course operator and \$6,000 for the maintenance of buildings. All other expenses, as well as revenues, profits or losses will be the responsibility of Lake Lure Golf Management, Inc. Over the FY 20-21, staff will be soliciting qualifications to secure professional assistance with plans to repurpose the Golf

Course Property.

5. Parks, Rec & Lake: Slight increase due to salary adjustment and the request for two work trucks. Due to a PARTF grant, the Town will be retiring two outstanding loans for the Boys Camp Road properties.

6. Debt Service – the budget contains the following debt:

General Fund

- Vehicles-Police, Lake, Rec, & Parks
- Old Marina Renovation
- Fire Engine
- Boardwalk Replacement/New Marina
- Patrol Boat
- Aerifier
- Dump truck

Water and Sewer Fund

- Water Line Extension to Ingles
- Sewer Joint Wrapping Program

7. Salaries & Benefits: A 2.5% cost-of-living salary adjustment (C.O.L.A.) is included in the budget. The budget maintains current levels of contribution to retirement and healthcare benefits, which include:

- NC state employees retirement fund premiums (defined benefit plan)
- A 401K contribution match of up to 5% of earnings for all full-time employees
- Employee healthcare insurance premiums
- NC state retirees healthcare insurance premiums

8. Vehicles & Watercraft – in the coming year, we will continue our practice of retiring these assets to ensure the smallest and most efficient fleet required to provide needed town services. We will utilize loans and the Capital Reserve Fund to replace needed assets at the end of their usable life.

9. Outsourcing: We will continue to seek opportunities for outsourcing, keeping employee headcount low by using public tax dollars to contract with the private sector to provide municipal services. We already contract for:

- garbage & recycling collection
- sewer treatment plant operation (under review)
- golf course operation (under review)
- beach and marina operation
- engineering
- legal
- financial audit

In the future, we will be seeking opportunities to reduce costs by utilizing exiting staff in areas where we have outsourced operations in the past namely the golf course and WWTP operations.

10. Contingency – this line item is typically used to cover unanticipated costs or needs during the year that were not appropriated elsewhere. Contingency funds are used only upon approval

Budget Message

May 6, 2020

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by the Town Council in a budget amendment. If unused at the end of the year, they can be appropriated for other purposes or returned to fund balance. To balance this year's budget, we have eliminated this line item. Thus, a significant, unplanned expenditure will need to be covered from accumulated fund balance in the General Fund upon approval by Town Council.

While this budget does not address every need, want, preference, desire, project, program, or requested capital item, it will provide for the continuation of the municipal services currently provided and at the level expected by our residents, while ensuring that we are maintaining the assets we have and making significant strategic investments in the community.

I hereby request your formal adoption of the town budget for Fiscal Year 2020-2021 before or on June 9, 2020.

cc: Town Council

Sam Karr, Finance Director
Department Heads

Account	Actuals				Current Budget	% Rec.	Prelim. Budget	Budget Change	Final Budget	% Old Budget	
	16-17	17-18	18-19	19-20	19-20	19-20	20-21	20-21	20-21	20-21	
310000 TAXES											
310100 P & I - Taxes	8,902	5,494	12,231	5,438	5,500	99%	5,500		5,500	100%	
Based on previous year											
Group:	8,902	5,494	12,231	5,438	5,500	99%	5,500	0	5,500	100%	
311000 Ad Valorem Taxes-2000											
311070 Ad Valorem Taxes-2007	405					0	0%			0	0%
311080 Ad Valorem Taxes-2008	405	397				0	0%			0	0%
311090 Ad Valorem Taxes-2009	1,532	21				0	0%			0	0%
311100 Ad Valorem Taxes-2010	1,061	21				0	0%			0	0%
311110 Ad Valorem Taxes-2011	843	692				0	0%			0	0%
311120 AD VALOREM TAXES-2012	1,293	348				0	0%			0	0%
311130 AD VALOREM TAXES-2013	1,902	547				0	0%			0	0%
311140 AD VALOREM TAXES-2014	4,789	600			1,000	0%				0	0%
311150 AD VALOREM TAXES-2015	28,931	979			1,000	0%	1,000		1,000	100%	
311160 AD VALOREM TAXES-2016	2,304,397	11,395			1,000	0%	1,000		1,000	100%	
311170 AD VALOREM TAXES-2017		2,322,563	16,663	1,035	2,500	41%	1,000		1,000	40%	
311180 AD VALOREM TAXES-2018			3,056,022	19,429	20,000	97%	2,500		2,500	13%	
311190 AD VALOREM TAXES-2019				2,775,814	2,916,719	95%	20,000		20,000	1%	
311200 AD VALOREM TAXES-2020						0	0%	2,928,625	2,928,625	*****%	
Tax rate 36.0 cents per \$100; municipal 23.9, fire 9.10, Capital 3.0 cents.											
Property Values \$831,892,723, property values increase by .7995%, 1 cent=\$80,656											
Note: personal property values decreased 7%											
Group:	2,345,558	2,337,563	3,072,685	2,796,278	2,942,219	95%	2,954,125	0	2,954,125	100%	
312000 Ad Valorem-Veh-2000											
312013 AD VALOREM VEH TAX-2013	1					0	0%			0	0%
312014 AD VALOREM VEH TAX-2014	10,202	12,957				0	0%			0	0%
312016 AD VALOREM VEH TAX - 2016	19,443					0	0%			0	0%
312017 AD VALOREM VEH TAX-2017	5,908	28,881	-45			0	0%			0	0%
312018 Ad Valorem Veh Taxes-2018			54,621		2,500	0%				0	0%
312019 AD VALOREM -VEHICLE				44,724	56,823	79%				0	0%
312020 AD VALOREM TAXES-2020						0	0%	58,424	58,424	*****%	
Group:	35,554	41,838	54,576	44,724	59,323	75%	58,424	0	58,424	98%	
332000 STATE SHARED REVENUES											
332200 Beer & Wine Tax	5,477	5,258	5,263		5,400	0%	5,050		5,050	94%	
State Predicts a 5% decrease in FY 20-21.											
332300 Court Costs, Fees and	437	703	682	293	700	42%	700		700	100%	
Arrest fee that accrues to the town that employs the officer who makes the arrest or serves criminal process.											
332400 Utilities Franchise Tax	226,553	232,219	223,980	178,252	220,000	81%	220,000		220,000	100%	
State expects no growth in FY.20-21											
332600 Powell Bill - Tax on Gas	68,021	68,964	68,178	67,743	68,200	99%	68,000		68,0		

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Report ID: B250

361201	Lake Lure Tours Based on experience-20% collections-COVID19	51,143	52,772	65,151	60,267	55,000	110%	55,000		55,000	100%
361202	Lake Fines Based on experience	266	791	16	298	500	60%	300		300	60%
361203	Lake Comm License Fees Based on experience/60	3,545	4,025	5,785	3,795	5,500	69%	4,000		4,000	73%
361204	Boat Permits	403,936	452,042	438,767	208,626	430,000	49%	430,000		430,000	100%
361205	RBR CONCESSIONS 20% drop		2,705	16,275	21,391	15,000	143%	18,500		18,500	123%
361206	LODGE CONCESSIONS ?					750	0%	750		750	100%

05/06/20
15:29:45

TOWN OF LAKE LURE
Revenue Budget Report -- MultiYear Actuals
For the Year: 2020 - 2021

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Report ID: B250

10 GENERAL FUND

Account	Actuals				Current Budget 19-20	% Rec. 19-20	Prelim. Budget 20-21	Budget Change 20-21	Final Budget 20-21	% Old Budget 20-21
	16-17	17-18	18-19	19-20						
Group:	458,890	512,335	525,994	294,377	506,750	58%	508,550	0	508,550	100%
363000 BEACH										
363801 Beach-Admission Fee-Adult Based on experience-20% drop	53,840	51,287	59,234	52,471	55,000	95%	44,000		44,000	80%
363804 Beach-Concessions 20% drop	8,503	8,862	10,718	6,740	9,500	71%	6,000		6,000	63%
Group:	62,343	60,149	69,952	59,211	64,500	92%	50,000	0	50,000	77%
364000 MARINA										
364902 Marina-Open Slip Rental 212 slips available for rent	92,700	90,375	88,225	97,845	90,000	109%	230,000		230,000	256%
364905 Marina-Concessions based on experience-20% drop	3,972	7,664	30,991	15,268	27,000	57%	15,500		15,500	57%
364908 Marina-Rentals 20% drop	5,542	5,328	27,284	24,839	25,000	99%	21,000		21,000	84%
Group:	102,214	103,367	146,500	137,952	142,000	97%	266,500	0	266,500	187%
383000 MISCELLANEOUS REVENUES										
383000 MISCELLANEOUS REVENUES			-703		0	0%			0	0%
383100 Interest Earned on	2,250	2,275	4,982	3,167	3,800	83%	3,500		3,500	92%
383200 Beer and Wine Permits	810	995	1,392	350	1,000	35%	1,000		1,000	100%
383321 Fire-Rural Fire Contract with County/Rutherford Co. (Old No Lands Tax) Amount requested	8,455	13,723	30,853	8,097	9,287	87%	9,287		9,287	100%
383410 ABC-Rents	6,030	18,001	16,000	13,333	16,000	83%	16,000		16,000	100%
383430 Community Center Rental deposits included	20,805	1,114	-948	-180	1,000	-18%	1,000		1,000	100%
383440 Pavilion/Gazebo Rental Deposits included	22,800	20,700	18,200	6,300	18,000	35%	3,500		3,500	19%
383450 Meadows Rental \$250/\$100 charitable	20,120	1,364	2,989	410	1,000	41%	500		500	50%
383462 TDA GRANT	2,500	7,767			100,000	0%			0	0%
383500 Sale of Assets	6,332	4,306	7,890	269,049	263,000	102%	4,500		4,500	2%
383600 Golf Cart Permit			200	140	160	88%	150		150	94%
383700 LLABC-Distribution for	1,956	763	619	1,241	500	248%	750		750	150%
383701 ABC-Dist. for	2,738	1,068	867	1,738	1,000	174%	1,250		1,250	125%
383800 ABC-Distribution of Funds Excess of actual working capital over maximum capital	35,449	38,143	43,040	33,825	20,000	169%	20,000		20,000	100%
383900 Misc Revenue Catch-all	24,004	1,731	2,177	4,067	1,200	339%	1,200		1,200	100%
383901 Contr.from Town Citizens Fireworks contributions-HNGC-\$1,500 (Town's portion \$5,500) NC CYCLE-TDA \$3,000, Chamber \$1,000, CRV-\$500, CRV CDA \$500 (town's contribution \$3k)	38,483	90,000		2,500	6,500	38%			0	0%
383903 Town Promotional Selling of Town Logo items	929	764	1,051	681	1,000	68%	750		750	75%

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10 GENERAL FUND

Account	Actuals				Current Budget 19-20	% Rec. 19-20	Prelim. Budget 20-21	Budget Change 20-21	Final Budget 20-21	% Old Budget 20-21
	16-17	17-18	18-19	19-20						
383910 Copies	1,030	786	611	625	775	81%	775		775	100%
Flowering Bridge Charges										
383930 Recycling Collections	11,963	11,892	14,323	14,435	14,000	103%	15,000		15,000	107%
Offset with expenditures										
Group:	206,654	215,392	143,543	359,778	458,222	79%	79,162	0	79,162	17%
398000 TRANSFERS										
398500 Transfer from Capital	181,747	250,000	255,000	225,000	225,000	100%	325,773		325,773	145%
398502 Installment Agreement	131,300	412,466	100,225	1,214,035	1,768,000	69%	84,879		84,879	5%
Loan on 3 vehicles										
398601 Transfer from Electric	167,500	15,000	15,000	7,500	15,000	50%			0	0%
398602 Transfer from Water/Sewer	10,000	15,000	15,000	7,500	15,000	50%			0	0%
Adm Fee										
398603 Transfer from Silt	111,200		83,000		0	0%			0	0%
398604 Transfer from Fund					102,810	0%			0	0%
Group:	601,747	692,466	468,225	1,454,035	2,125,810	68%	410,652	0	410,652	19%

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53 WATER AND SEWER FUND

Account	Actuals				Current Budget 19-20	% Rec. 19-20	Prelim. Budget 20-21	Budget Change 20-21	Final Budget 20-21	% Old Budget 20-21
	16-17	17-18	18-19	19-20						
371000										
371103 SRL Loan	50,000				0	0%			0	0%
SRF-Plant Upgrades/Low interest loan 2.21%										
371105 Chimney Rock Water	5,000	15,000	15,000	2,500	15,000	17%	15,000		15,000	100%
Operating compensation										
371300 Charges for Water	258,433	237,775	248,779	219,659	240,000	92%	240,000		240,000	100%
371400 Charges for Sewer	920,569	941,598	958,586	800,024	935,000	86%	935,000		935,000	100%
Based on experience										
371500 Taps and Connect-Water	3,465	15,322	1,310	4,620	5,000	92%	5,000		5,000	100%
371600 Taps and Connect-Sewer	5,005	5,390	3,463	2,310	5,000	46%	5,000		5,000	100%
371700 Transfer Fee-Water/Sewer	900	1,075	1,100	840	1,000	84%	1,000		1,000	100%
\$20 charge										
371800 W/S - Penalty and	6,829	8,650	9,325	5,200	6,000	87%	6,000		6,000	100%
371900 W/S - Misc	50,000		4	1,474	0	***%			0	0%
Group:	1,300,201	1,224,810	1,237,567	1,036,627	1,207,000	86%	1,207,000	0	1,207,000	100%
383000 MISCELLANEOUS REVENUES										
383100 Interest Earned on	411	860	805	1,036	750	138%	750		750	100%
383460 Water Tank Rental	15,000	15,060	15,360	10,300	15,000	69%	12,360		12,360	82%
Duke Power lease for equipment mounted to water tower. ; Skyrunner agreement??										
Group:	15,411	15,920	16,165	11,336	15,750	72%	13,110	0	13,110	83%
398000 TRANSFERS										
398602 Transfer from Water/Sewer					232,351	0%			0	0%
Group:					232,351	0%	0	0	0	0%
Fund:	1,315,612	1,240,730	1,253,732	1,047,963	1,455,101	72%	1,220,110	0	1,220,110	83%

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56 ELECTRIC FUND

Account	Actuals				Current	%	Prelim.	Budget	Final	% Old
	16-17	17-18	18-19	19-20	Budget	Rec.	Budget	Change	Budget	Budget
					19-20	19-20	20-21	20-21	20-21	20-21
332000 STATE SHARED REVENUES										
332100 FEMA Reimbursements					70,000	0%			0	0%
Group:					70,000	0%	0	0	0	0%
372000										
372300 Charges for	234,538	502,173	1,092,371	211,948	600,000	35%	600,000		600,000	100%
Monthly Avg of \$50k										
Group:	234,538	502,173	1,092,371	211,948	600,000	35%	600,000	0	600,000	100%
383000 MISCELLANEOUS REVENUES										
383100 Interest Earned on	786	842	1,948	1,093	1,500	73%	1,500		1,500	100%
Group:	786	842	1,948	1,093	1,500	73%	1,500	0	1,500	100%
398000 TRANSFERS										
398601 Transfer from Electric					825,567	0%			0	0%
Group:					825,567	0%	0	0	0	0%
Fund:	235,324	503,015	1,094,319	213,041	1,497,067	14%	601,500	0	601,500	40%

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10 GENERAL FUND

Account	Object	Actuals				Current Budget 19-20	% Exp. 19-20	Prelim. Budget 20-21	Budget Changes 20-21	Final Budget 20-21	% Old Budget 20-21
		16-17	17-18	18-19	19-20						
411000	COMMISSION										
102	Salaries-Part Time	13,200	13,200	12,900	10,700	13,200	81%	13,200		13,200	100%
109	FICA 7.65%	1,010	1,010	987	819	1,100	74%	1,100		1,100	100%
214	Supplies-Dept Plaques,Certificates,flowers, other ceremonial supplies	3,337	2,380	1,198	1,749	3,000	58%	3,000		3,000	100%
215	Supplies-Materials \$7k fireworks, Brd Comm. Dinner,Employee Christmas Lunch,Retreats,supplies, Postage	9,131	8,586	5,705	11,232	12,250	92%	12,250		12,250	100%
310	Travel and Transportation Annual training is now required and overnight accomodations are sometimes used.	1,088	2,641	1,965	2,190	2,750	80%	2,750		2,750	100%
691	Contractual Services Dam repair consultant	18,095		11,500		0	0%			0	0%
	Account:	45,861	27,817	34,255	26,690	32,300	83%	32,300	0	32,300	100%
413000	ADMINISTRATION										
100	SALARIES COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year. Includes longevity.*Add new position-Accountant	300,280	297,797	393,638	285,047	328,100	87%	331,258	42,623	373,881	114%
103	Professional Services Audit and Statements, Accounting/Audit Prep.Outside 3rd party. Audit \$34,500, Financial Statements 2,500, Carter \$7,600, B.Epley \$6,000	36,000	52,451	45,613	43,675	46,100	95%	48,000		48,000	104%
109	FICA 7.65%	22,355	22,692	26,369	21,093	25,066	84%	25,345	3,257	28,602	114%
110	Retirement	39,253	41,436	49,487	45,658	49,250	93%	53,676	8,352	62,028	126%
111	Group Insurance Premiums increased 10%	32,817	31,312	37,932	34,427	43,632	79%	47,996	3,886	51,882	119%
120	401 (K) Contribution 5%	13,557	13,704	17,661	14,021	15,903	88%	16,565	2,096	18,661	117%
180	Legal Services New Attorney adjustment/new billing method \$300/per meeting. Avg. \$4,000/Mo.	13,768	24,372	29,894	34,338	25,000	137%	48,000		48,000	192%
190	Engineering Services Kurt Wright SDG Engineering				63,310	100,000	63%	100,000		100,000	100%
214	Supplies-Dept Office supplies shared w/ Comm. Development	9,774	5,140	8,025	6,331	8,000	79%	8,000		8,000	100%
215	Supplies-Materials Not office related-cups, paper products, bathroom, cleaning, coffee, soap, etc. Based on experience.	2,490	1,049	1,092	1,786	2,300	78%	2,300		2,300	100%
310	Travel and Transportation Training for schools, conferences, required courses. Possible new Manager training additional cost. Additional cost for travel reimbursement for Americorp Trail Coordinator.	7,979	7,304	4,892	3,542	6,500	54%	6,500		6,500	100%
320	Postage	1,654	1,731	1,940	1,480	3,000	49%	3,000		3,000	100%
322	Printing Letterhead, A/P & Payroll Checks, forms, business cards	699	866	773	730	1,200	61%	1,200		1,200	100%
324	Dues and Subscriptions Membership dues-IPDC dues increased to \$1,215. Clerks, Notary, personnel dues increased. ICMA	6,250	5,922	5,159	5,142	6,500	79%	6,500		6,500	100%

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10 GENERAL FUND

		Actuals				Current Budget	% Exp.	Prelim. Budget	Budget Changes	Final Budget	% Old Budget
Account	Object	16-17	17-18	18-19	19-20	19-20	19-20	20-21	20-21	20-21	20-21
330	Utilities	29,455	25,156	28,059	23,038	25,000	92%	25,000		25,000	100%
350	Repairs and Maint-Buildin	12,031	10,953	12,097	6,703	12,500	54%	12,500		12,500	100%
	Repairs to building built in 1995-25 yrs. old.										
353	Repairs and Maint-Equipme	30,772	3,853	3,295	1,939	4,000	48%	4,000		4,000	100%
	Phone system, HVAC, Computers										
370	Advertising	1,150	838	1,511	1,515	1,200	126%	1,200		1,200	100%
	Special Meetings, bidding, contracts, public records										
614	Lobbyist					0	0%	60,000		60,000	*****%
687	Contractual - County Tax	13,073	14,032	15,282	15,057	14,500	104%	16,000		16,000	110%
	Rutherford County Tax Scrolls, Bills and Collections, increase by Rutherford County										
691	Contractual Services	47,814	36,437	47,153	62,209	79,000	79%	40,000		40,000	51%
	Postage rental,Cleaning,Software,Bank Box,copier,Time card, Generator maint. contract, Election Costs, Web Costs,\$3,850 Trail Stewardship Program moved to P&R, \$3500 Printing Employee Benefit Statements, Election year. Added \$850-State Health Plan Report-ACA.										
	Account:	621,171	597,045	729,872	671,041	796,751	84%	857,040	60,214	917,254	115%
420000	CENTRAL SERVICES-Technology &										
109	FICA	3				0	0%			0	0%
111	Group Insurance	2				0	0%			0	0%
321	Telephone	26,294	21,584	24,810	20,258	20,000	101%	21,000		21,000	105%
	Based on previous year and moving police cell phone from Police Contracted to this line. AT&T adding a cost assessment charge. Added a few more cell accounts to departments. Dropped based on experience and method.										
325	Internet Services	3,613	3,852	3,780	3,894	3,900	100%	4,200		4,200	108%
	DSL AT&T, no charge for Pangaea. AT&T to increase avg of 14%										
380	IT Support Services	76,379	68,196	68,196	62,513	70,000	89%	70,000		70,000	100%
	Computer Support-ADNS;\$39 per workstation/mo.,\$649 Server,\$99 physical site/month. No change										
527	TECH-Website Update		2,561	1,499	1,305	1,250	104%	4,100		4,100	328%
	Fees-Mediasation, E-GOV, Boat Permit Data Interface via Microsoft. New annual fee E-Gov Link-Annual Hoosting, Maint. & Support \$2,850										
	Account:	106,291	96,193	98,285	87,970	95,150	92%	99,300	0	99,300	104%
431000	POLICE										
100	SALARIES	467,573	341,418	446,703	373,224	446,855	84%	473,307		473,307	106%
	COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year. Which is 2.5% Includes longevity *Includes Holiday Pay, 1 incentive bonus \$2,091										
101	OVERTIME	5,604	1,744	986	2,831	3,000	94%	4,000		4,000	133%
102	Salaries-Part Time	9,780	17,049	15,339	18,815	15,000	125%	20,000		20,000	133%
	Reserves; cover for military leave										
104	Separation Allowance-Law	11,847	5,622	13,653	16,792	19,050	88%	19,050		19,050	100%
	Two Officers that are covered										
109	FICA	31,469	30,977	34,345	29,838	36,342	82%	36,208		36,208	100%
	7.65%										
110	Retirement Increased.	57,337	57,857	65,342	59,455	65,750	90%	77,780		77,780	118%

Account	Object	Actuals				Current	%	Prelim.	Budget	Final	% Old
		16-17	17-18	18-19	19-20	Budget	Exp.	Budget	Changes	Budget	Budget
111	Group Insurance	65,253	66,274	78,747	66,186	76,500	87%	84,150		84,150	110%
112	Special Benefit Fund-Poli	20,353	19,259	21,033	17,611	21,900	80%	23,666		23,666	108%
	5%										
212	Supplies-Fuel	16,984	19,305	16,982	13,848	20,000	69%	20,000		20,000	100%
214	Supplies-Dept	11,152	10,354	9,043	9,019	11,000	82%	11,000		11,000	100%
	Office supplies, Ammo, forms, catch-all for all supplies.										
217	Supplies-Uniforms	7,668	8,079	6,284	5,020	7,000	72%	7,000		7,000	100%
	Need to purchase vests \$550/vest										
220	Alcohol & Drug Ed.	2,075	763	1,200		1,000	0%	1,000		1,000	100%
310	Travel and Transportation	1,409	3,380	2,196	1,025	3,000	34%	3,000		3,000	100%
	Out of Town Training, travel										
320	Postage	425	529	341	247	500	49%	500		500	100%
324	Dues and Subscriptions	6,996	6,625	5,818	4,194	6,300	67%	6,300		6,300	100%
	Includes mobile data terminal fees, aircards, SBI Funds, Leads on Line investigative tool. Nixel \$700/yr.										
333	Utilities-Boat House and	372	394	345	321	500	64%	500		500	100%
	Firing range taken out, Police Boathouse and Safety Light. Rate increase can be absorbed.										
353	Repairs and Maint-Equipme	5,280	8,307	3,301	1,399	4,000	35%	4,000		4,000	100%
	Repairs to radios, equipment, any equipment other than vehicles, etc.										
354	Repairs and Maint-Vehicle	26,335	18,546	19,397	18,319	18,000	102%	21,000		21,000	117%
490	Miscellaneous	5,454	1,115	46	895	1,000	90%	1,000		1,000	100%
	Psychological, physical exams,										
524	Computers					0	0%	8,500		8,500	*****
	New MDT's/Radio replacement										
691	Contractual Services	4,993	6,238	6,082	5,636	6,000	94%	6,500		6,500	108%
	Software, Hardware, Copier Maint, Added Cleaning \$100/mo										
	Account:	758,359	623,835	747,183	644,675	762,697	85%	828,461	0	828,461	109%
434000	FIRE										
100	SALARIES	259,224	295,881	292,087	254,331	333,500	76%	357,095		357,095	107%
	COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year.										
	Which is 2.5% Includes longevity										
	*includes holiday pay										
101	OVERTIME	13,737	8,374		26,167	10,000	262%	15,000		15,000	150%
102	Salaries-Part Time	33,081	18,653	22,035	15,267	30,000	51%	35,000		35,000	117%
	\$20,000 for Volunteers per call										
	\$15,000 for Part-time										
109	FICA	21,593	23,810	23,019	21,760	25,550	85%	27,318		27,318	107%
	7.65%										
110	Retirement	35,717	38,845	40,669	42,760	45,3					

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Account	Object	Actuals				Current Budget 19-20	% Exp. 19-20	Prelim. Budget 20-21	Budget Changes 20-21	Final Budget 20-21	% Old Budget 20-21
		16-17	17-18	18-19	19-20						
217	Supplies-Uniforms volunteers/Cost	3,081	2,088	2,672	1,261	3,500	36%	3,500		3,500	100%
218	Supplies-Equipment Fire Equipment-Air Packs, Rescue equipment. Cost increased	10,783	13,839	8,742	11,740	12,000	98%	14,000		14,000	117%
310	Travel and Transportation new criteria for training;increase costs should be absorbed.	4,303	6,309	3,912	4,370	5,000	87%	5,000		5,000	100%
320	Postage Includes monthly department newsletters for 4 departments	200	168	30	206	300	69%	300		300	100%
324	Dues and Subscriptions State fire pension, NFPA fire codes, NFPA, State Firemen's Assoc. ESO materials. Does not include any additional members or potential increase.	7,266	8,598	8,318	5,570	8,100	69%	8,100		8,100	100%
330	Utilities Electric & Propane. Duke rate increase.	7,917	8,954	8,878	8,437	11,500	73%	11,500		11,500	100%
351	Repairs and Maint-Grounds Repairs to Building & Grounds. Exterior bldg repairs	4,319	3,360	3,610	4,023	5,000	80%	5,000		5,000	100%
353	Repairs and Maint-Equipme Airpack maintenance, equipment testing, defibs, repeaters, etc.	9,886	9,955	11,110	10,223	10,000	102%	10,000		10,000	100%
354	Repairs and Maint-Vehicle Increase cost;aging	15,992	16,110	16,771	16,074	16,000	100%	16,000		16,000	100%
490	Miscellaneous Physicals. Insurance request mandatory that all (including Volutneers) need physicals.	9,212	2,237	933	2,858	3,000	95%	3,000		3,000	100%
514	Protective Clothing Air bottles (16) to be replaced \$700/each - replace every 15 years. Turnout gear - replace every 5 years. Wildlife gear.	9,628	9,925	582	7,477	10,000	75%	10,000		10,000	100%
553	RADIO REPLACEMENT Pagers & handhelds; anticipation of switchover to new radio system. 2 new radios = \$7,000	7,000	4,622	6,932		7,000	0%	7,000		7,000	100%
693	Fairfield Volunteer Fire	78,604	84,000	84,000	107,458	107,458	100%	112,783		112,783	105%
694	Chimney Rock Volunteer Fi	45,000	45,000	45,000	45,000	45,000	100%	45,000		45,000	100%
695	Bills Creek Volunteer Fir	45,000	45,000	45,000	55,000	55,000	100%	55,000		55,000	100%
	Account:	696,155	722,602	709,825	713,565	840,239	85%	900,721	0	900,721	107%
451000 PUBLIC WORKS-STREETS											
100	SALARIES COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year. Includes longevity *includes stand by pay *50%/50% split with Water Dept for one employee	161,597	164,704	229,520	206,371	233,500	88%	238,500		238,500	102%
102	Salaries-Part Time		8,344	1,006		0	0%			0	0%
103	Professional Services Engineering, Municipal Bridge Inspection Program. Powell Bill, if needed	7,462	2,059	470	1,004	2,800	36%	2,800		2,800	100%
109	FICA 7.65%	11,922	14,585	18,509	16,971	17,865	95%	18,275		18,275	102%
110	Retirement	21,120	25,610	34,507	34,125	35,060	97%	38,750		38,750	111%
111	Group Insurance	22,406	26,754	35,416	32,439	39,995	81%	43,995		43,995	110%
120	401 (K) Contribution 5%	6,000	7,259	9,737	9,104	11,750	77%	11,925		11,925	101%

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		16-17	17-18	18-19	19-20						
211	Supplies-Automotive Older fleet	10,754	10,585	12,181	11,463	13,000	88%	13,000		13,000	100%
212	Supplies-Fuel			90		0	0%			0	0%
214	Supplies-Dept Toilet supplies,towels, office supplies, based on experience	1,001	1,110	1,453	662	1,200	55%	1,200		1,200	100%
215	Supplies-Materials Stone, Lumber, paint, pesticides, seed, mulch, sand etc.	23,532	19,712	22,500	19,173	23,000	83%	23,000		23,000	100%
217	Supplies-Uniforms	1,277	1,534	1,324	250	1,500	17%	1,500		1,500	100%
310	Travel and Transportation Travel to schools-licenses, DOT storm water class, CDL-every year,	330	40	85	387	500	77%	500		500	100%
331	Utilities-Street Lights Based on previous year expense	14,700	12,521	9,128	9,700	15,000	65%	15,000		15,000	100%
334	Utilities-Buildings Includes Comm.Center,lights, Freeman Gas, New Meter @ Arcade Building, ABC Mall \$1,500 Flowering Bridge moved to Parks and Recreation	9,156	10,390	11,278	6,958	11,500	61%	11,500		11,500	100%
350	Repairs and Maint-Buildin Comm Center w/ various lights, ABC Store, War Memorial, Picnic Sheds, PW Bldg.s, Gazebo.	12,031	17,614	13,079	7,866	13,000	61%	13,000		13,000	100%
351	Repairs and Maint-Grounds M&R Grounds not covered by P&R; Boardwalk might take some expense, based on prior experience	94,429	11,365	11,617	7,672	12,000	64%	12,000		12,000	100%
353	Repairs and Maint-Equipme Tractors, Back Hoes,chipper,plow,mowers, weedeaters, etc.	16,540	23,285	20,412	16,933	20,000	85%	20,000		20,000	100%
354	Repairs and Maint-Vehicle 9 vehicles and 3 trailers.	16,570	27,848	16,971	16,024	18,000	89%	18,000		18,000	100%
691	Contractual Services cylinder rental New Contract; added NC811-Locator service	860	11,360	509	505	500	101%	750		750	150%
	Account:	431,687	396,679	449,792	397,607	470,170	85%	483,695	0	483,695	103%
472000	SANITATION										
691	Contractual Services \$100/per month increase in garbage pickups;new homes, insurance	169,800	173,400	175,800	149,289	175,800	85%	177,000		177,000	101%
692	Contractual Services-Recy Recycling Pick ups; offset with revenue acct.	13,968	13,488	14,768	12,336	14,400	86%	14,400		14,400	100%
696	Tipping Fees Keep two hidden dumpsters-PW & Town Hall, Solid Waste Fees increased; Based on Experience.	34,678	37,749	38,761	27,085	38,000	71%	38,000		38,000	100%
	Account:	218,446	224,637	229,329	188,710	228,200	83%	229,400	0	229,400	101%
492000	ECONOMIC DEVELOPMENT										
100	SALARIES COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year. Which is 2.5% Includes longevity			25,008	44,004	52,030	85%	56,750		56,750	109%
102	Salaries-Part Time		27,000	12,142		0	0%			0	0%
109	FICA Town expense			2,524	3,318	4,030	82%	4,350		4,350	108%
110	Retirement			3,506	6,769	8,000	85%	8,607		8,607	108%

Account	Object	Actuals				Current Budget	% Exp.	Prelim. Budget	Budget Changes	Final Budget	% Old Budget
		16-17	17-18	18-19	19-20	19-20	19-20	20-21	20-21	20-21	20-21
698	Contractual Services-Desi Plan development in house. May need planning firms for design plans, site plans, concept plans, code development related issues, etc. Account:	1,600	6,900			2,500	0%	2,500		2,500	100%
		263,760	223,353	208,649	162,816	230,516	71%	185,333	0	185,333	80%
613000	PARKS, RECREATION & LAKE										
100	SALARIES COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year. Includes longevity	59,979	62,178	77,412	150,684	178,550	84%	182,689		182,689	102%
102	Salaries-Part Time Requesting a part-time employee to work April-Sept. \$13,500 Lake Patrol \$18,500	588	3,531	3,860	8,110	32,000	25%	32,000		32,000	100%
109	FICA 7.65%	4,393	4,592	6,299	11,201	16,110	70%	14,250		14,250	88%
110	Retirement	7,833	8,558	11,110	24,023	27,700	87%	30,320		30,320	109%
111	Group Insurance	13,074	13,486	17,053	26,727	32,091	83%	35,300		35,300	110%
120	401 (K) Contribution 5%	2,999	3,158	3,966	5,791	8,928	65%	9,135		9,135	102%
212	Supplies-Fuel For equipment and lawn mower; seasonal \$5k Lake Op's Truck and in-town truck \$6k	2,015	2,573	2,635	6,348	11,000	58%	11,000		11,000	100%
213	Supplies-Boat Fuel & Supp Transferred from previous Lake dept.-covers all boat fuel and repairs.				7,493	8,000	94%	10,000		10,000	125%
214	Supplies-Dept Office Supplies				1,971	3,500	56%	3,500		3,500	100%
215	Supplies-Materials Parks and Rec Board discretionary funds for incidental parkland maintenance, trail brochures, special projects, signage, BCP, picnic tables & benches, Morse park, Pool Creek Park=\$15k Lake-EVENT COST \$10k	11,344	14,159	13,818	12,520	25,000	50%	25,000		25,000	100%
216	Supplies-Fish Purchase Fish Purchase or Study					8,000	0%	8,000		8,000	100%
217	Supplies-Uniforms T-shirts, work clothes, boots				173	1,000	17%	1,000		1,000	100%
219	Boat and Fishing Permits				3,994	4,500	89%	4,500		4,500	100%
310	Travel and Transportation				1,834	2,000	92%	2,000		2,000	100%
320	Postage				114	300	38%	300		300	100%
324	Dues and Subscriptions Pesticide License, others.					500	0%	500		500	100%
335	Flowering Bridge Lighting	3,445	2,665	1,889	2,144	3,500	61%	3,500		3,500	100%
351	Repairs and Maint-Grounds Mulch \$9,000, reseeding, rock planters (2) planting/herbisides \$1,000, sign replacement, \$1,000 Christmas Lights, etc. Spring, Summer, Fall plantings and displays. Cleaning Supplies-New restrooms	64,276	35,186	40,917	37,778	42,000	90%	42,000		42,000	100%
353	Repairs and Maint-Equipme Repairs to lawnmowers(2 riders, 1 push), truck, chainsaws, weedeaters, etc. aging. P&R \$7k Vehicles equipment, radios-Lake \$6k	6,930	6,164	6,585	11,784	14,000	84%	14,000		14,000	100%

Account	Object	Actuals				Current Budget	% Exp.	Prelim. Budget	Budget Changes	Final Budget	% Old Budget
		16-17	17-18	18-19	19-20	19-20	19-20	20-21	20-21	20-21	20-21
524	Computers				1,405	2,000	70%			0	0%
633	GEESE MITIGATION					2,500	0%	2,500		2,500	100%
634	Flowering Bridge		5,000	5,000	5,000	5,000	100%	5,000		5,000	100%
	Not requested, but a placeholder last couple of years??										
691	Contractual Services	4,405	8,280	10,190	18,063	30,000	60%	30,000		30,000	100%
	Invasive Plant Management-Per Weed Mgmt Plan by WAC-HNG Add for Trail Stewardship Program (Americorp) P & R Lake=Water monitoring & Testing (\$7.5k), Cleaning contract, Copier=\$13,500										
697	Dredging & Debris Removal				276,523	425,000	65%	425,000		425,000	100%
	Account:	181,281	169,530	200,734	613,680	883,179	69%	891,494	0	891,494	101%
615000	BEACH & MARINA										
214	Supplies-Dept	986	2,016	783		2,000	0%	2,000		2,000	100%
	Chemicals for Beach Area										
350	Repairs and Maint-Buildin	2,716	4,965	3,170	2,295	4,000	57%	4,000		4,000	100%
	Maint. on two Beach bldg.s & Marina, Plumbing										
351	Repairs and Maint-Grounds	3,630	5,239	10,207	8,604	10,200	84%	10,200		10,200	100%
	Port-a-potties @ \$450/month,										
353	Repairs and Maint-Equipme		595	552	1,124	1,300	86%	1,300		1,300	100%
	Service to pump,lines,& equipment. \$30/mo. Fuel Console										
	Account:	7,332	12,815	14,712	12,023	17,500	69%	17,500	0	17,500	100%
617000	GOLF										
350	Repairs and Maint-Buildin	5,156	4,127	10,426	1,061	5,000	21%	5,000		5,000	100%
	Bldg.s owned by the Town										
618	GOLF-Contractual Payments	75,000	80,000	80,000	100,000	100,000	100%	100,000		100,000	100%
691	Contractual Services	540	600	630	600	1,000	60%	1,000		1,000	100%
	Nelton-Cole Pest Control \$1000										
	Account:	80,696	84,727	91,056	101,661	106,000	96%	106,000	0	106,000	100%
618000	LAKE										
100	SALARIES	100,113	98,895	60,995		0	0%			0	0%
102	Salaries-Part Time	5,843	5,036	5,126		0	0%			0	0%
	Use of Reserve Officer position as a result of increase in boat permit fees. 40 hrs/wk from late May to Labor Day.										
109	FICA	7,813	7,748	4,391		0	0%			0	0%
	7.65%-										
110	Retirement	13,466	14,121	8,976		0	0%			0	0%
111	Group Insurance	13,390	13,702	8,153		0	0%			0	0%
120	401 (K) Contribution	5,006	5,058	3,050		0	0%			0	0%
	5%										
212	Supplies-Fuel	5,457	6,251	5,299		0	0%			0	0%
213	Supplies-Boat Fuel & Supp	6,173	7,254	8,092							

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10 GENERAL FUND

Account	Object	Actuals				Current Budget 19-20	% Exp. 19-20	Prelim. Budget 20-21	Budget Changes 20-21	Final Budget 20-21	% Old Budget 20-21
		16-17	17-18	18-19	19-20						
216	Supplies-Fish Purchase	4,519	2,500	4,500		0	0%			0	0%
	Fish Purchase or Study (seasonal)										
217	Supplies-Uniforms	747	608	517		0	0%			0	0%
219	Boat and Fishing Permits	3,362	3,746	4,682		0	0%			0	0%
	Extra										
310	Travel and Transportation	3,289	4,498	-50		0	0%			0	0%
	Conferences, training, travel, CLM, NALMS, NCLM workshop and other out of town obligations										
320	Postage	125	10	130		0	0%			0	0%
	Additional mailings and possible increase in postage rates										
324	Dues and Subscriptions	360	269	219		0	0%			0	0%
	NCLMS, NALMS, Floodplain										
353	Repairs and Maint-Equipme	32,148	5,593	5,083		0	0%			0	0%
	Vehicles, Boats, equipment, radios (seasonal)										
524	Computers		2,991			0	0%			0	0%
	Requesting a drone, to be shared with different departments										
691	Contractual Services	11,812	11,455	8,602		0	0%			0	0%
	Water monitoring & testing(\$7.5k), GIS Software. Added cleaning contract in \$50/month. New copy machine \$130/mo.										
697	Dredging & Debris Removal		71,741	469,480		0	0%			0	0%
	Account:	223,312	274,951	607,181		0	***%	0	0	0	0%
720000 ELECTRIC OPERATIONS											
111	Group Insurance				-4	0	***%			0	0%
	Account:				-4	0	***%	0	0	0	0%
800000 CAPITAL OUTLAY/SPECIAL PROJECTS											
501	AERIFIER			24,484		0	0%			0	0%
502	Town Center Main St.CRSP					0	0%	50,000		50,000	*****%
	Grant										
503	FIRE-Truck Replacement	29,419		47,582	13,810	13,810	100%			0	0%
	Replace 2005 Truck, 150k miles										
508	Rewrite Zoning & Land Dev					0	0%	15,000		15,000	*****%
512	CAMPGROUND					0	0%	50,000		50,000	*****%
	Grant										
513	FIRE-SCBA APPARATUS			35,000	35,000	35,000	100%			0	0%
515	In-Stream Sed. Collection					0	0%	25,000		25,000	*****%
516	FIRE BLDG Expansion					276,000	0%			0	0%
	Loan-Finance										
517	COMM DEV-Sidewalk Old ABC	2,325	18,795			0	0%			0	0%
522	Street Light Replacement					40,000	0%			0	0%
523	PW-Pickup Truck Replaceme	35,172			44,715	45,000	99%			0	0%
	Replace pickup truck										
526	Automated CPR -Defib.					0	0%	25,750		25,750	*****%
	Grant-Fire Dept.										
527	TECH-Website Update					15,000	0%	15,000		15,000	100%
	Website redesign & content mgmt										
528	PW-Trailer			3,545		0	0%			0	0%

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10 GENERAL FUND		Actuals				Current	%	Prelim.	Budget	Final	% Old
Account	Object	16-17	17-18	18-19	19-20	Budget	Exp.	Budget	Changes	Budget	Budget
						19-20	19-20	20-21	20-21	20-21	20-21
594	Cart Paths		4,290	3,400		5,000	0%			0	0%
601	Firing Range Assessment		3,250	25,751		0	0%			0	0%
616	Golf Course Planning					0	0%	45,000		45,000	*****
625	DAM REPAIRS			459,396		0	0%			0	0%
697	Dredging & Debris Removal	261,052				0	0%			0	0%
	Silt or Contribution to Silt Fund										
	Account:	559,657	664,258	1,006,833	1,383,392	2,088,446	66%	1,156,329	70,000	1,226,329	59%
820000	BONUSES (PERFORMANCE & LONGEVITY										
100	SALARIES	51,300	32,550			0	0%			0	0%
109	FICA	3,778	321			0	0%			0	0%
110	Retirement	6,458	569			0	0%			0	0%
120	401 (K) Contribution	1,634	110			0	0%			0	0%
	Account:	63,170	33,550			0	***%	0	0	0	0%
910000	DEBT SERVICE										
503	FIRE-Truck Replacement		9,632	10,988	8,631	10,000	86%			0	0%
	Pick up truck-End date:FY 2020										
504	VEHICLES				3,053	24,550	12%	30,072		30,072	122%
	New:2 LP&R Trucks, 1 Police Vehicle-3 years										
516	FIRE BLDG Expansion					17,975	0%			0	0%
	10 yr. loan Fire expansion										
531	FIRE-Fire Engine	41,311	42,062	42,827	21,705	43,606	50%	44,400		44,400	102%
	End Date: 6/23										
532	DUMP TRUCK					16,000	0%			0	0%
	5 years										
541	POLICE-Vehicles	30,918	35,623	29,966	17,087	22,025	78%			0	0%
	Loan payments for 2 police vehicles										
544	Work Truck	16,260	13,119	11,738	12,056	12,176	99%			0	0%
	Public Works truck										
550	Other Equipment				19,610	16,250	121%	27,110		27,110	167%
	Includes new-Aerator, Patrol Boat, & Police Vehicle										
561	Brdwalk-Marina Bay					75,000	0%	96,259		96,259	128%
	\$1.1 Mil. 10 year loan 2.92% CTB										
570	Land		12,500	33,270	20,770	41,540	50%			0	0%
	2 parcels of property-(2) 10 year loans=3.88 Acres Boy's Camp Rd.										
573	Bearings-Large Generator					13,850	0%			0	0%
	10 Year loan										
622	LAKE-Marina Slips	65,000	65,000	65,000	65,000	65,000	100%	65,000		65,000	100%
	Payment for 10yr.loan & 2.31% for \$650,000 FY 2010-21 term ends										
624	ADMIN-Strip Center Memori	50,000	50,000	50,000	224,042	224,042	100%			0	0%
	Sold 01/20										
720	Bond Interest	33,463	36,147	38,774	28,079	104,475	27%	82,580	-7,100	75,480	72%
	Interest on Marina Slips,Vehicles,Fire Engine, Aerator, Patrol Boat, and Dump										
	truck. New Loans this year\$2,355. Land Out										
	Account:	236,952	264,083	282,563	420,033	686,489	61%	345,421	-7,100	338,321	49%

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10 GENERAL FUND

Account	Object	16-17	17-18	18-19	19-20	Current Budget 19-20	% Exp. 19-20	Prelim. Budget 20-21	Budget Changes 20-21	Final Budget 20-21	% Old Budget 20-21
920000	Non-Governmental										
130	Unemployment	31	412		1,377	5,000	28%	5,000		5,000	100%
	DES-ESC New reporting changes, estimating 3rd & 4th quarters										
450	Insurance	115,556	120,552	130,111	126,564	130,000	97%	135,000		135,000	104%
	Property & liability increase; Fire Ins., Flood, volunteer ins.Fire										
751	Bank Fees	360	1,381	4	3,425	1,000	343%	3,500		3,500	350%
	Any fees that are charged-catch-all; subject to change due to credit card fees; lease purchase fees.										
	Account:	115,947	122,345	130,115	131,366	136,000	97%	143,500	0	143,500	106%
980000	TRANSFERS										
966	Transfer To General					87,458	0%			0	0%
967	Transfer to Capital Reser	255,831	251,100	336,810	243,762	243,762	100%	241,968		241,968	99%
	FY 2020-21 Value of 1 cent \$80,658. Transfer of 3 cents to Capital Reserve is \$241,968 @ 98% collection rate.										
	Account:	255,831	251,100	336,810	243,762	331,220	74%	241,968	0	241,968	73%

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53 WATER AND SEWER FUND

Account	Object	Actuals				Current	%	Prelim.	Budget	Final	% Old
		16-17	17-18	18-19	19-20	Budget	Exp.	Budget	Changes	Budget	Budget
						19-20	19-20	20-21	20-21	20-21	20-21
713000	WATER										
100	SALARIES	49,663	41,324	50,785	45,608	52,694	87%	52,725		52,725	100%
	COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year.										
	Includes longevity										
	Includes Standby Pay										
	50%/50% split with Gen Fd PW for 1 employee and 50%/50% split with Sewer for 1 employee										
101	OVERTIME	294				0	0%			0	0%
	only comp-time allowed										
103	Professional Services	24	1,500	1,400	3,000	47%	25,000			25,000	833%
	Studies, technical reviews, water assistance (if needed), Kurt Wright SDG										
109	FICA	3,237	1,954	1,775	2,022	4,032	50%	4,035		4,035	100%
	7.65%										
110	Retirement	3,948	3,617	3,325	4,212	7,801	54%	7,825		7,825	100%
111	Group Insurance	6,656	4,296	3,898	4,350	8,150	53%	8,965		8,965	110%
120	401 (K) Contribution	2,283	1,335	1,186	1,078	2,635	41%	2,640		2,640	100%
	5%										
212	Supplies-Fuel	2,726	3,300	3,475	2,701	3,500	77%	3,500		3,500	100%
	1 Vehicle & Generator.										
214	Supplies-Dept	8,795	6,786	7,278	6,400	8,000	80%	8,000		8,000	100%
	Chlorine, pipe, fittings, meters, boxes, tools, meter replacement										
215	Supplies-Materials		-73			0	0%			0	0%
310	Travel and Transportation	205	340	975		750	0%	1,000		1,000	133%
	6 workers maintain licenses & training										
321	Telephone	721	326	294	237	500	47%	500		500	100%
	cell phone										
324	Dues and Subscriptions	425	505	420	495	750	66%	750		750	100%
	Water treatment operators lincense-Three certified water operators. (3) NCWTF0										
	\$30 ea, (3) NCWOA \$25 ea, RWA \$250 Town unit										
330	Utilities	12,773	14,232	15,112	12,577	15,000	84%	15,000		15,000	100%
	This includes Duke rate increase, based on experience										
350	Repairs and Maint-Buildin	21,774	22,839	18,195	18,113	20,000	91%	20,000		20,000	100%
	Service contract on Tanks-adjusted with CPI. Add Highlands and Firefly										
353	Repairs and Maint-Equipme	27,547	14,029	12,543	14,049	15,000	94%	15,000		15,000	100%
	Pumps & Motors, well houses,										
354	Repairs and Maint-Vehicle	4,447	4,228	3,761	561	3,000	19%	2,500		2,500	83%
	One Vehicle, service & tires, new										
358	Repairs and Maint-Lines	11,314	10,883	11,804	10,209	13,000	79%	13,000		13,000	100%
	Service lines, meters/pressure reducers										
430	Equipment Rental		55			500	0%	500		500	100%
	Trencher, Saw, if needed										
691	Contractual Services	17,095	16,413	16,855	13,440	18,000	75%	18,000		18,000	100%
	Water testing, SOC/VOC testing, Lead & Copper, wells, Highlands, Firefly										
964	Transfer to General - ADM	5,000	7,500	7,500	3,750	7,500	50%			0	0%
	ADM Fee										
	Account:	178,927	153,962	160,608	141,202	183,812	77%	198,940	0	198,940	108%

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53 WATER AND SEWER FUND

Account	Object	Actuals				Current	%	Prelim.	Budget	Final	% Old
		16-17	17-18	18-19	19-20	Budget	Exp.	Budget	Changes	Budget	Budget
						19-20	19-20	20-21	20-21	20-21	20-21
714000	SEWER										
100	SALARIES	33,740	32,558	39,560	31,027	40,251	77%	24,850		24,850	62%
	COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year.										
	Includes longevity										
	Includes Standby and Holiday Pay										
	1 employee split 50/50 with Water										
101	OVERTIME	294			147	0	***%			0	0%
	All OT considered to be Hydro										
103	Professional Services	3,517	3,725	2,608	241	3,000	8%	3,000		3,000	100%
	Collection System										
	Don Byers										
109	FICA	2,519	1,767	1,775	1,614	3,080	52%	1,905		1,905	62%
	7.65%										
110	Retirement	4,452	3,227	3,325	3,314	5,795	57%	3,590		3,590	62%
111	Group Insurance	4,594	3,778	3,826	3,428	6,010	57%	6,611		6,611	110%
120	401 (K) Contribution	1,702	1,146	1,186	1,078	1,900	57%	1,245		1,245	66%
	5%										
190	Engineering Services				35,000	220,000	16%	25,000		25,000	11%
	Kurt Wright-SDG Engineering										
214	Supplies-Dept	457	757	85	124	800	16%	800		800	100%
	Shop rags,towels,Billing cards W/S										
215	Supplies-Materials	202,367	180,347	224,368	186,257	180,000	103%	180,000		180,000	100%
	WWTP-CHEMICALS and Supplies										
320	Postage	1,382	1,452	1,659	1,194	2,000	60%	2,000		2,000	100%
	Postage for Water/Sewer billing										
321	Telephone	1,299	1,014	1,090	1,340	1,500	89%	1,500		1,500	100%
	office phones and dialer. Based on experience										
330	Utilities	14,453	13,517	12,198	10,763	16,000	67%	16,000		16,000	100%
	Pumps, blower, lights. Based on experience.										
350	Repairs and Maint-Buildin	865	26	425	1,020	1,000	102%	1,000		1,000	100%
	pipes, termites										
353	Repairs and Maint-Equipme	10,012	8,143	9,044	8,639	10,000	86%	10,000		10,000	100%
355	Repairs and Maint-Collect	16,341	19,695	16,312	11,137	18,000	62%	20,000		20,000	111%
	Maint. to the manholes & street-based sewer lines.										
490	Miscellaneous	11,286				0	0%			0	0%
690	Contractual Services-Slud	84,150	130,350	114,200	113,072	160,000	71%	160,000		160,000	100%
	Sludge Hauling Services \$ Keith Webb??										
691	Contractual Services	14,287	36,349	11,707	65,200	75,451	86%	29,000		29,000	38%
	Permits,certifications, DWQ Fines, dumpsters, Fines \$1,200/mo										
699	Contractual Services-WWTP	127,225	119,636	115,748	103,292	125,000	83%	125,000		125,000	100%
	Byers Environmental-Includes Operations,sludge mgmt,										
	Brown PA-Includes Plant & Process Eng.,travel allowance										
964	Transfer to General - ADM	5,000	7,500	7,500	3,750	7,500	50%			0	0%
	ADM Fee										
	Account:	539,942	564,987	566,616	581,637	877,287	66%	611,501	0	611,501	70%

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53 WATER AND SEWER FUND

Account	Object	Actuals				Current Budget 19-20	% Exp. 19-20	Prelim. Budget 20-21	Budget Changes 20-21	Final Budget 20-21	% Old Budget 20-21
		16-17	17-18	18-19	19-20						
800000	CAPITAL OUTLAY/SPECIAL PROJECTS										
518	WATER-Water Tank Maintena		4,435			0	0%			0	0%
520	Gate Valve Repair			18,100	58,982	69,900	84%			0	0%
544	Work Truck		38,750			0	0%			0	0%
	Work Truck Replacement-Water Dept.										
557	FIREFLY COVE SYSTEM					75,000	0%	206,000		206,000	275%
560	Flow Meter			7,837		0	0%			0	0%
598	SEWER-Manhole Repairs		4,700			0	0%			0	0%
	Morse Park Manhole										
	Account:		47,885	25,937	58,982	144,900	41%	206,000	0	206,000	142%
820000	BONUSES (PERFORMANCE & LONGEVITY										
100	SALARIES	4,675				0	0%			0	0%
109	FICA	358				0	0%			0	0%
110	Retirement	601				0	0%			0	0%
120	401 (K) Contribution	234				0	0%			0	0%
	Account:	5,868				0	***%	0	0	0	0%
910000	DEBT SERVICE										
611	SRL Fund Project		55,954	55,954	55,954	55,955	100%	55,955		55,955	100%
	2.305% Loan on Water System. End Date: FY.2026										
612	Joint Wrapping Project		63,990	63,990	63,990	63,990	100%	63,990		63,990	100%
	No Interest Loan, End Date FY 2032										
720	Bond Interest	12,897	11,608	10,318	9,028	9,029	100%	9,030		9,030	100%
	Interest on SRL										
	Account:	12,897	131,552	130,262	128,972	128,974	100%	128,975	0	128,975	100%
980000	TRANSFERS										
958	Transfer to Fund Balance					120,128	0%	74,694		74,694	62%
967	Transfer to Capital Reser			26,033		0	0%			0	0%
	Account:			26,033		120,128	0%	74,694	0	74,694	62%
	Fund:	737,634	898,386	909,456	910,793	1,455,101	63%	1,220,110	0	1,220,110	84%

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56 ELECTRIC FUND

Account	Object	Actuals				Current	%	Prelim.	Budget	Final	% Old
		16-17	17-18	18-19	19-20	Budget 19-20	Exp. 19-20	Budget 20-21	Changes 20-21	Budget 20-21	Budget 20-21
720000	ELECTRIC OPERATIONS										
100	SALARIES	38,471	34,216	93,024	107,823	155,872	69%	184,650		184,650	118%
	COLA 2.5% effective 7/1/20-consumer price index for the previous calendar year.										
	Includes longevity										
	Includes Standby and Holiday Pay										
101	OVERTIME	15,203	12,266	1,816	12,722	25,000	51%	25,000		25,000	100%
	Weekend coverage										
103	Professional Services					0	0%	40,000		40,000	*****
	Outside services as needed										
109	FICA	3,983	4,027	8,522	9,847	11,953	82%	14,335		14,335	120%
	7.65%										
110	Retirement	5,982	7,682	16,195	20,266	24,181	84%	26,785		26,785	111%
111	Group Insurance	5,547	6,584	17,315	19,840	22,895	87%	25,185		25,185	110%
120	401 (K) Contribution	2,758	419	1,004	3,033	8,679	35%	9,375		9,375	108%
	5%										
190	Engineering Services				138,980	143,480	97%			0	0%
212	Supplies-Fuel	1,849	2,388	2,677	2,594	3,000	86%	4,000		4,000	133%
	Vehicle & Generator										
214	Supplies-Dept	776	837	676	436	1,400	31%	4,400		4,400	314%
	Bags,towels,grease, batteries. Add \$1,200 users computer system and \$1,200 Log book										
310	Travel and Transportation	55		207		500	0%	3,000		3,000	600%
	Additional training										
321	Telephone	3,421	2,885	2,897	2,167	3,000	72%	3,000		3,000	100%
	Phone at office & dialer, cell phone, added another dialer this year										
330	Utilities	3,370	3,481	3,547	3,346	4,000	84%	4,000		4,000	100%
350	Repairs and Maint-Buildin	9,448	2,736	9,174	9,957	10,000	100%	10,000		10,000	100%
351	Repairs and Maint-Grounds	8,537	6,371	8,834	9,561	9,000	106%	9,000		9,000	100%
	Based on experience										
352	Repairs and Maint-Dam	15,113	11,728	10,027	13,202	14,000	94%	14,000		14,000	100%
353	Repairs and Maint-Equipme	29,535	14,733	14,883	17,397	15,000	116%	25,000		25,000	167%
590	Other structures, improve	145,189				0	0%			0	0%
689	Contract Services-J. Wils	41,685	84,686	113,469	7,305	30,000	24%			0	0%
	Should have decreasing hours										
691	Contractual Services	6,531	9,942	10,955	9,719	10,000	97%	42,000		42,000	420%
	Engineering services, update operations handbook, Everbridge, Hydro Lobby \$5k, River Gauges \$3k' John Wilson \$30k										
961	Transfer to Electric					5,990	0%	111,870		111,870	1868%
	Transfer to Fund Balance-Reserves/Fund Equity										
964	Transfer to General - ADM	7,500	15,000	15,000	7,500	15,000	50%			0	0%
	ADM Charge										
	Account:	344,953	219,981	330,222	395,695	512,950	77%	555,600	0	555,600	108%
800000	CAPITAL OUTLAY/SPECIAL PROJECTS										
196	Emergency Action Plan			31,900		0	0%			0	0%
	Planning/Design/Engineering										
450	Insurance				15,305	50,000	31%			0	0%
504	VEHICLES	38,565				0	0%			0	0%

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56 ELECTRIC FUND

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		16-17	17-18	18-19	19-20						
505	HYDRO-Emergency Small Gen		270,280	35,736	0	0%			0	0%	
507	HYDRO-Emergency Shutdown				25,000	0%			0	0%	
533	Taintor Gate Repairs Automation			15,395	0	0%	15,000		15,000	****%	
534	HYDRO-DREDGE TAILRACE				10,000	0%			0	0%	
537	HYDRO-Penstock Repairs				400,000	98%			0	0%	
552	Oil Coolers/Generators				0	0%	30,900		30,900	****%	
576	DAM-Inspection-Plan Structural Analysis		22,928		0	0%			0	0%	
577	DAM-Taintor Gate Tainter Gate Cables		27,748		0	0%			0	0%	
578	HYDRO-STREAM GAUGES				25,000	0%			0	0%	
579	HYDRO-Lake Level				10,000	0%			0	0%	
580	HYDRO-Head Gate Hoist		5,254		61,847	85,000	73%		0	0%	
582	HYDRO-ButterflyPensock Re				83,587	85,000	98%		0	0%	
588	Small Unit-Bearing Work			883	119,222	294,117	41%		0	0%	
	Replace bearings on small unit										
	Account:	38,565	326,210	83,914	672,657	984,117	68%	45,900	0	45,900 5%	
820000	BONUSES (PERFORMANCE & LONGEVITY										
100	SALARIES	2,175			0	0%			0	0%	
109	FICA	166			0	0%			0	0%	
110	Retirement	279			0	0%			0	0%	
120	401 (K) Contribution	109			0	0%			0	0%	
	Account:	2,729			0	***%	0	0	0	0%	
980000	TRANSFERS										
962	Transfer to SILT Reserve	50,000			0	0%			0	0%	
966	Transfer To General	160,000			0	0%			0	0%	
	Account:	210,000			0	***%	0	0	0	0%	
Fund:		596,247	546,191	414,136	1,068,352	1,497,067	71%	601,500	0	601,500 40% %	