

**Town of Lake Lure
Town Council
Special Meeting - Budget Workshop
January 7, 2021: 8:30 a.m. – 12:30 p.m.
Meeting to be held electronically via Zoom**

Agenda

- I. Call to Order**
- II. Adoption of the Agenda**
- III. Review Adopted FY 21-22 Budget Development Calendar**
- IV. Quick Financial Overview - Finance Director/Town Manager**
 - A. Financial Summary Report (General Fund, Water/Sewer, Hydroelectric)**
 - B. Debt Sheets**
 - C. CIP Overview**
- V. Review of Themes & Goals submitted by Town Council, Department Heads, and Key Staff**
- VI. Q & A Session w/Department Heads & Key Staff**
 - A. Police**
 - B. Fire**
 - C. Public Works**
 - D. Dam & Hydro**
 - E. Community Development**
 - F. Parks, Recreation & Lake**
 - G. Communications**
 - H. Finance**
 - I. Town Clerk**
 - J. Human Resources**
- VII. Capital Projects Identification by Town Council & Town Staff**
- VIII. Adjournment**

FISCAL YEAR 2021-2022 BUDGET CALENDAR		
DATE	TASK	PARTIES
November 16-20, 2020	Town Manager to survey via email Town Council regarding desirable FY 21-22 Budget outcomes.	TM, TC
December 16, 2020	Budget Planning Session Workshop	TC, TM, FD, DH
January 13, 2021	Capital Improvement Program (CIP) distributed to Department Heads by Finance Director.	FD & DH
February 3, 2021	Department Heads submit CIP Request to Town Manager via Finance Director with justifications and revenue projections/sources	DH, FD & TM
February 10, 2020	CIP Presentation to Town Council (by Town Manager & Finance Director), CIP Adjustments/ Approval/Adoption	TC, TM, FD & DH
February 17, 2021	Distribute FY 2019-2020 operational budget materials to Department Heads and key staff (by Finance Director)	FD & DH
March 3, 2021 - March 17, 2021	Departmental meetings with Finance Director to determine preliminary operational budget requests.	FD & DH
March 31, 2021	Complete draft recommended operational budget (Finance Director/Department Heads). Finance Director to draft debt service budget.	FD & DH
April 1, 2021 - April 16, 2021	Budget sessions with Department Heads/Finance Director & Manager Operating Budget: Department Heads justify requests. Draft recommended operational budget. (Finance/Manager/Department Heads)	TM, FD & DH
April 30, 2021	Revenue estimates finalized. Tax Revaluation year; revenue neutral	FD
May 12, 2021 & May 26, 2021	Budget workshops with Council to discuss operational budget recommendation. (Council/Town Manager/Finance Manager/Department Heads) (G.S. 159-10) A) Operating Budgets B) Capital Budgets / Projects	TC, TM, FD & DH
June 1, 2021 (Statutory Requirement)	Budget Message- To include estimated revenues, fund balances, and appropriations request for coming year adjusted. Includes revenue neutral tax rate. Budget balanced. Last day to submit budget and message to Council. (G.S. 159-11(b)) Make budget available to public and press. (G.S. 159-12(a))	TM, FD & TC
June 16, 2021	Hold public hearing on proposed budget. Adoption of budget.	TM, FD, TC
July 2, 2021	Last day for the Council to adopt Budget Ordinance. (G.S. 159-13(a)) If budget ordinance is not adopted by July 1, Council may make interim appropriations for ordinary expenses. (G.S. 159-16)	TC
TC - Town Council		
TM - Town Manager		
FD - Finance Director		
DH - Department Heads		

Town of Lake Lure

Monthly Financial Summary Report as of: 12/31/2020

50%



Revenues in excess of Expenditures

General Fund						General Fund						General Fund	
		Annual	Month	Annual	Y-T-D %			Annual	Month	Annual	Y-T-D %	Annual Budget	
Revenues:		Budget:	To Date:	To Date:	Collected	Expenditures:		Budget:	To Date:	To Date:	Spent	Month To Date	
Taxes		\$ 3,511,722	\$ 168,989	\$ 2,156,222	61.40%	Governing Body		\$ 32,300	\$ 1,275	\$ 12,700	39.32%	Annual To Date	\$ 649,173
State Shared Revenues		\$ 2,508,738	\$ 210,129	\$ 997,482	39.76%	Administration		\$ 1,003,897	\$ 86,277	\$ 511,275	50.93%		
Lake & Tours		\$ 673,550	\$ 14,707	\$ 177,707	26.38%	Central Services		\$ 99,300	\$ 3,181	\$ 43,808	44.12%		
Beach & Marina		\$ 316,500	\$ 59,955	\$ 238,260	75.28%	Police		\$ 826,340	\$ 68,046	\$ 437,066	52.89%		
*Miscellaneous Revenues		\$ 89,162	\$ 36,463	\$ 100,129	112.30%	Fire		\$ 889,584	\$ 159,768	\$ 543,103	61.05%		
Land Use Fees		\$ 27,600	\$ 2,865	\$ 16,757	60.71%	Sanitation		\$ 229,400	\$ 37,620	\$ 113,818	49.62%		
Loan Proceeds		\$ 129,879	\$ -	\$ -	0.00%	Public Works		\$ 511,652	\$ 34,693	\$ 244,216	47.73%		
Transfers		\$ 166,458	\$ -	\$ -	0.00%	Economic Development		\$ 105,417	\$ 4,767	\$ 42,817	40.62%		
Total:		\$ 7,423,609	\$ 493,108	\$ 3,686,557	49.66%	Community Development		\$ 202,788	\$ 9,484	\$ 71,377	35.20%		
*Miscellaneous Revenues Interest, Beer & wine, Fire Tax, ABC Facilities Rentals, Grants, Sale of Assets, Misc., Town Promo, Copies Recycling Collections Received-Not Posted Yet						Beach and Marina		\$ 17,500	\$ 388	\$ 3,234	18.48%		
						Golf		\$ 106,000	\$ -	\$ 60,320	56.91%		
						Parks, Rec., Lake		\$ 910,555	\$ 136,023	\$ 409,666	44.99%		
						Capital Outlay		\$ 1,342,667	\$ 145,254	\$ 308,381	22.97%		
						Debt Service		\$ 333,062	\$ 28,917	\$ 90,495	27.17%		
						Non Governmental		\$ 143,500	\$ 753	\$ 145,108	101.12%		
						Transfers		\$ 483,936	\$ -	\$ -	0.00%		
						DAM/Watershed		\$ 185,711	\$ -	\$ -	0.00%		
						Contingency Reserve		\$ -	\$ -	\$ -	#DIV/0!		
						Total:		\$ 7,423,609	\$ 716,446	\$ 3,037,384	40.92%		

Water & Sewer Fund						Water & Sewer Fund						Water & Sewer Fund	
		Annual	Month	Annual	Y-T-D %			Annual	Month	Annual	Y-T-D %	Annual Budget	
Revenues:		Budget:	To Date:	To Date:	Collected	Expenditures:		Budget:	To Date:	To Date:	Spent	Month To Date	
Water & Sewer charges		\$ 1,540,000	\$ -	\$ 736,388	47.82%	Water		\$ 135,392	\$ 6,594	\$ 73,998	54.65%	Annual To Date	\$ 230,124
Taps & Connection fees		\$ 10,000	\$ -	\$ 2,244	22.44%	Sewer		\$ 548,300	\$ 37,722	\$ 447,650	81.64%		
Interest & Transfer Fees		\$ 7,750	\$ -	\$ 10,829	139.73%	Capital Projects		\$ 206,000	\$ -	\$ -	0.00%		
Water Tank Rental		\$ 12,360	\$ 1,030	\$ 6,180	50.00%	Debt Service		\$ 128,975	\$ -	\$ 3,869	3.00%		
Transfer from Fund Balance		\$ -				Transfer to Fund		\$ 551,443	\$ -	\$ -	0.00%		
Total:		\$ -	\$ -	\$ -	#DIV/0!	Total:		\$ 1,570,110	\$ 44,316	\$ 525,517	33.47%		
		\$ 1,570,110	\$ 1,030	\$ 755,641	48.13%								

Hydro Electric						Hydro Electric						Hydro Electric	
		Annual	Month	Annual	Y-T-D %			Annual	Month	Annual	Y-T-D %	Annual Budget	
Revenues:		Budget:	To Date:	To Date:	Collected	Expenditures:		Budget:	To Date:	To Date:	Spent	Month To Date	
Power Generation		\$ 600,000	\$ 155,981	\$ 411,724	68.62%	Operations		\$ 555,600	\$ 24,272	\$ 169,150	30.44%	Annual To Date	\$ 64,326
Interest		\$ 1,500	\$ -	\$ 47	3.13%	Transfer to General Fund		\$ -	\$ -	\$ -			
FEMA Reimbursement					#DIV/0!	Transfer to Silt Fund Reserve		\$ -	\$ -	\$ -	#DIV/0!		
Transfer from Fund Balance		\$ 188,375	\$ -	\$ -	0.00%	Cap. Outlay/Special Proj.		\$ 234,275	\$ 21,382	\$ 178,295	76.11%		
Total:		\$ 789,875	\$ 155,981	\$ 411,771	52.13%	Total:		\$ 789,875	\$ 45,654	\$ 347,445	43.99%		

Cash & Investment Position				Capital Funds				Comments / Items of note			
United Bank											
General Fund		\$ 3,809,898		Capital Res. Fund		Balance to Date					
Water & Sewer		\$ 725,425		Silt Res. Fund		\$ 179,532					
Includes Low Pressure				Marina Brdwalk		\$ 64,265					
Hydro		\$ 215,614		Bridge Pres. Fund		\$ 127,715					
Total:		\$ 4,750,937				\$ 75,000					
NC Capital Management Trust											
General (Cash)		\$ 198,817									
Water & Sewer		\$ 716									
Hydro		\$ 542									
Total:		\$ 200,075									
Total Cash and Investments:				\$ 4,951,012							

TOWN OF LAKE LURE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

Claims, Judgments, and Contingent Liabilities

At June 30, 2020, the Town was a defendant to various lawsuits. In the opinion of the Town's management and the Town's attorneys, the ultimate effect of these legal matters will not have a material adverse effect on the Town's financial position.

Long-Term Obligations

Installment Notes Payable

A schedule of the Town's governmental activities includes the following installment purchases:

	June 30 th 2020 <u>Balance</u>	June 30 th 2019
Note payable, bearing interest at 1.81% per annum, with 20 semi-annual principal and interest payments of \$23,327, beginning December 2013 and ending June 2023; collateralized by the fire engine	\$ 135,632	\$ 179,238
Note payable, bearing interest at 2.31% per annum, with 20 monthly payments of principal and interest, beginning November 2011 and ending November 2021; collateralized by land and marina expansion	97,500	\$ 162,500
Note payable, bearing interest at 2.92% per annum, with 20 semi-annual payments of \$63,951 principal and interest, beginning July 2020 and ending January 2030; collateralized by marina expansion	1,052,288	
Note payable, bearing interest at 3.25% per annum, with 36 monthly payments of \$3,331 principal and interest, beginning April 2020 and ending March 2023; collateralized by vehicles	104,963	100,225
Note payable, bearing interest at 3.85% per annum, with 48 monthly payments of \$2,259 principal and interest, beginning July 2019 and ending June 2023; collateralized by vehicles and equipment	<u>76,616</u>	42,818
Total installment debt	<u>\$ 1,466,999</u>	* Strip Center \$ 350,000

The Town's outstanding note from direct placements related to the governmental activities of \$135,632 is secured by a security interest in the equipment. Upon the failure to pay or make timely payments or the failure to budget/appropriate for the debt service, the outstanding principal and interest are due. Upon default, the lender will take possession of the equipment securing the loan and the Town will relinquish all rights to the equipment.

* Land
\$ 361,100
\$ 1,195,891

TOWN OF LAKE LURE, NORTH CAROLINA

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED JUNE 30, 2020

General Obligation Indebtedness

The Town's general obligations were issued to finance the construction and capital improvements of water and sewer lines. The obligations are being retired by the water and sewer system's resources are reported as long-term debt in the Water and Sewer Fund. The general obligation indebtedness is not secured by a pledge of full-faith and credit of the Town but is payable solely from revenues of the project or the benefited systems or other available funds comprised of fees. Principal and interest requirements are appropriated when due.

A schedule of the Town's Water and Sewer Fund direct borrowing notes payable is as follows:

	<u>Balance</u>
State revolving loan of \$1,119,085 for storage tank and water lines under the North Carolina Clean Water Revolving Loan and Grant Act of 1987. Payments are due on May 1 and November 1 in decreasing installments through May 1, 2026, with an interest at 2.305%.	\$ 335,726
State revolving loan of \$1,279,794 for sewer line improvements issued by the North Carolina Department of Environmental Quality. Payments are due in 20 equal installments ending May 1, 2031. The loan is interest free.	<u>703,886</u>
Total	<u>\$ 1,039,612</u>

Annual debt service requirements to maturity for these long-term obligations of the Water and Sewer Fund are as follows:

Year Ending June 30	Business-Type Activities	
	Principal	Interest
2021	\$ 119,944	\$ 7,738
2022	119,944	6,449
2023	119,944	5,159
2024	119,944	3,869
2025	119,944	2,580
2026-2030	375,908	1,290
2031	63,984	-
Total	<u>\$ 1,039,612</u>	<u>\$ 27,085</u>

CIP Overview for FY 21-22 (Preliminary)					
	 (Ctrl) ▾				Cost
Police					\$52,000
	Vehicle Replacement				\$52,000
	Vehicle Replacement				
Fire					
	Heart Monitor Lease				\$8,000
	Construction Drawings - Fire Department Expansion				\$10,000
	Construction of Fire Department Expansion				\$200,000
Public Works - Water					
	Fire Fly Cove Interconnect				\$350,000
	Watertight Hatch for Water Tank				\$6,000
	Water Meters - Electronic Read				\$200,000
Public Works - General					
	Fence - Public Works Yard				\$60,000
	Vehicle Replacement				\$40,000
	Street Paving				\$180,000
Hydro Electric					
	Automation of Tainter Gates, Power House & Electronics				\$380,000
	Vehicle Replacement				\$48,000
Community Development					
	Stabilize Tryon Bay Lot (Duck Cove Properties)				\$165,000
	Town Center Main Street Plan (Egress for CRSP)				\$50,000
	Walkway to CRV				\$500,000
	Rewrite Land Development Regulations				\$15,000
Parks, Recreation & Lake					
	Mower (Zero Turn)				\$20,000
	Barge				\$40,000
	Drainage System at the Boardwalk/Beach				\$50,000
Communications					
	Special Projects				\$6,000
Finance					\$0
Town Clerk					
	Laptop				\$1,000
	Cameras				\$1,000
Human Resources					
	ID Maker				\$2,500
Administration					
	IT				\$10,000
				Total	\$2,446,500



Budget Development Input

Goals/Outcomes for FY 21-22

November 19, 2020, revised November 20th

The Town Council, Town Manager, Finance Director, other Department Heads and Key Staff will discuss the following during the Budget Development Workshop (virtual meeting) scheduled for December 16, 2020.

Town Council

Mayor Pritchett (MP)

1. Actively pursue divesting the Town of its interest in commercial properties, specifically the Golf Course, in order to reduce expenses and create revenue.
2. Reduce the amount of money spent and dependency on consulting firms by addressing those projects in-house when feasible.
3. Create a more business friendly atmosphere in the Town to attract more commercial businesses and enhance the tax base.

Commissioner DiOrio (CD)

4. Chimney Rock Village subsidies. We currently subsidize the CRV fire department, provide police support as necessary and without compensation, and assume infiltration of their sewer system (albeit County owned), but the overall property tax rate in CRV is .14 compared to LL .42. They frankly do not pay for those valuable services – we do.
 - a. First Point – Should we charge CRV for police support?
 - b. Second Point - CRV fire department tax rate is .05 compared to LL .11. Should we work with CRV to at least set their fire department rate to ours and then determine what -if any- our subsidy should be?
 - c. Third Point – Should we renegotiate and restructure the CRV sewer rates?

5. Duke Power Energy rates.
 - a. Late next year we will start to renegotiate the terms of our energy contract with Duke. We know that the Duke rate schedule – because of new solar and wind – becomes much more complicated with several more rate schedules based on time of year, time of week, and time of day. Should we invest in some automation to maximize profits given the more complicated rate structure?
6. Dredging Method and Schedule.
 - a. When the lake is lowered by an unprecedented 20 ft. during Sewer installation, the option to do a “Limited DIG” at a significantly reduced cost rather than “Hydraulic Dredging” becomes feasible. Should we work with Tim Edwards to prepare and structure our dredging spending to accommodate that?

Commissioner Kilby (CK)

7. Complete the assessment, cross training, supervision, upgrades to procedures and improvements to the front office staff as needed.
8. As part of the upcoming budget process we should have department heads and finance director scrutinize all monies spent on the purchase of supplies and services to outside vendors and report back to council with specific details and facts on what was found, including a history on each expense identified.
9. Focus on a plan to achieve the completion of the item listed by Commissioner Diorio in regards to Chimney Rock Village.

Commissioner Bryant (CB)

10. Review town assets, specifically Golf Course, ABC store, and any other “open land ownership” we currently have in portfolio. Find ways to either enhance these for sell, or divest them to commercial entities.
11. Regain focus on cellular connectivity and high speed internet in the gorge. Movement has been made along these lines by some of the providers already in the area, and there may be talks of expansion. Finding the right contacts at the private enterprise level of these utility companies is key.
12. Boys Camp Road campground master plan input / potential dog park / investments needed. We must watch every penny; ending subsidies we have in place may provide us funds in 24-36 months to fund the infrastructure needs of this town asset. It is one of properties we own that I believe we should retain as part of our land ownership portfolio.

Commissioner Moore (CM)

13. I concur with the goals that have been noted so far. I don't have anything to add that would be more pressing than what we already have on our plate.

Department Heads & Key Staff

Parks Recreation & Lake Director (PRLD)

1. Golf Course Study - As the town continues to lose money on the golf Course, our goal is to seek other opportunities for this land. Options could include selling all/part of it, re-develop all/part of it for commercial and/or residential or finding a new concessionaire. Plans are to have the land appraised and re-development concepts through working with staff, steering committees, boards and developers to achieve the best outcome for the citizens of Lake Lure.
2. Phase II Marina - Phase II of the marina consists of removing the existing tours building and replacing it with a 5000 sf two story building, featuring retail and tour sales down stairs along with space for the TDA, and a restaurant upstairs. This project will need private partnerships to help facilitate. We are working with the TDA to identify private partners and dollars to get this project off the ground.
3. Amphitheater - The framework for this project is under way with final grading being done now and newly planted grass. Again we will be working with the TDA to identify potential donors/private investors to move this project forward with the construction of a new band-shell and amenities.

Police Chief (PC)

1. Maintain Low Crime Rate - Strive to continue to keep a low crime rate in our town as we have done for years through persistent basic policing which includes constant patrols as to visually see what is taking place in our town as well as keeping a good relationship with our citizens. This relationship in many cases is where we get information that aides us in better protecting our town.
2. Retain Highly Experienced Staff - Implement practices that allows our department to retain the highly experienced staff we have, while at the same time putting all of our efforts in the hiring process if we have anyone resign, which has become a regrettable trend with all agencies across the nation. If there has been one thing I have learned as my years as a chief, the department is only as good as the officers that work there.
3. Maintain High Morale - Be inventive when it comes to keeping morale with the officers high. This is becoming more difficult with each passing year where all we see on the news is negativity toward Law Enforcement and Law Enforcement officers. Even though we are lucky that for the most part our small department is not as affected by national trends like some of our larger counterparts are, I still hear many times officers say if they knew the profession would have headed in this direction they never would have never gotten into this line of work.

Communications Specialist (CS)

1. Work with Town Council to host quarterly Community Forums on key priorities. The purpose of the Community Forums is to provide avenues for an exchange of information, allowing time for citizens to ask questions and provide input. Topic may include:
 - a. Sewer System Renovation Updates (With Panel of Engineers and NC Dept. of Water Reps)
 - b. Dam Renovation Updates (With Panel of Engineers and NC Dam Safety Office Reps)
 - c. Department Head Overviews (1/2 of the departments - Park-Rec-Lake, Public Works, Fire, Dam/Hydro-Electric, Communications)
 - d. Department Health Overviews (other half of the departments - Community Development, Police, Finance, HR)
 - e. Town Boards – High level overview or priorities
2. Launch new website based on Town priorities:
 - a. Utilize existing brand portfolio (color, Font, tag lines, logos, etc. from Arnett Muldrow Report)
 - b. Ensure user friendly platform (staff & public)
 - c. Facilitate efficient service delivery by departments
 - d. Mobile friendly platform compatible with cell phones/personal devices
 - e. Interface with existing software used by the Town
 - f. Allows utility customers to pay online
 - g. Allows boat permits to be purchased online and allows customers to rent Town facilities and pay fees online.
 - h. Gives sufficient access to Town records with a systematic purging process for unnecessary documents.
 - i. Allows customers to submit permit applications and pay fees online
 - j. Aligns with desire to have employees work from home/remote locations
3. Apply for and administer the following grants if awarded:
 - a. FEMA FY20 Hazard Mitigation Assistance (HMA) for the Flood Mitigation Assistance (FMA) Grant: Complete this application to fund a Dam spillway assessment, automated tainter gates, and spring gages. We are considering adding generator for the hydroelectric plant.
 - b. FEMA FY 2020 Building Resilient Infrastructure and Communities (BRIC) Grant: Complete this application to fund the construction of the Dam reservoir drain through this grant opportunity.

Town Clerk (TC)

1. Inventory All Contracts/Agreements & Set Expiration Date Alerts – This will allow management to identify key dates and make strategic decisions.

2. Clean up Records Room/Organize – A lot has been done already, but the records need to be better organized and filing system instituted so that records can be located within minutes instead of hours or days.
3. Secure NC Clerk Certification – The Town Clerk is the official records keeper per North Carolina State Law. This will increase knowledge, effectiveness and efficiencies relative to the Town Clerk procedures and processes. It will also help the town avoid potential legal challenges in the future.

Human Resource Coordinator (HRC)

1. Capture and Document Institutional Knowledge – Attrition may have a negative impact on the business operations of the Town as well as have undesired consequences for the community.
 - a. Shadow Linda Ward and document work processes such as billing cycle, new customer process for utilities and cancellation of services, recycle program, boat permits, commercial boat permits, boat slip rentals, and other job tasks she currently performs.
 - b. Shadow Sam Karr, document daily accounting processes etc.
2. Focus on Training and Development – May help employees feel valued by the Town, brings the employees from different departments together (post pandemic) for a common purpose, allows employees to learn new skill sets.
 - a. Employee enrichment classes (lunch and learn)
 - b. Continuing education options for non-certification classes (safety classes, risk management, antidiscrimination)
 - c. Focus on employee engagement for all departments (concentrating first on PD and FD)
3. Work with Town Manager to develop a strategic plan for staff replacement (short-term Key employees) and succession planning (long-term department heads). – 10% of the full time staff have worked for the town for 20+ years. 21% of the staff has worked for the Town for 10+years. The Town will see many employees retiring beginning in the next year or two.

Fire Chief (FC)

1. Improve Morale - Improving Morale and working environment. I want to improve the working conditions here at the Fire Station. The staff share a very small bedroom and small shower area. There is only one shower and it is really small and only one bedroom currently so this puts us in a bind whenever there is a shift of mixed genders working. It is the town's responsibility to provide appropriate working conditions for our firefighters. In return, making these improvements I feel would improve our retention and recruitment of firefighters.
2. Staff Training in Dive Rescue - Currently 3 of our most senior staff are enrolled in Diver Training to be able to provide a better service to our town/ Lake Community. If there is an emergency right now we are limited on what we can do as a dept./town in our response to an incident. Lake Lure Fire is depended on other agencies in the event that we are needed to perform a dive rescue or recovery. We want to improve the level of service that we can provide and safely do

so. This would mean that Lake Lure Fire along with other town staff would be trained to be able to respond to incidents of this nature much quicker and in more respectful fashion if it is a recovery mission.

3. Secure 100% in AEMT Training - We are really close to having all paid staff trained to the level of AEMT. This is really important to our Department and area that we serve. There is one county paramedic unit that is stationed in this area of the County. This unit is pulled to standby closer to town multiple times in one day due to the extensive call volume that the other county units are carrying. This leaves our area vulnerable to extended response times from a paramedic unit during emergencies. Our staff would be able to apply heart monitors, start IV fluids, administer certain medications, and operate at higher level of care until a paramedic unit is able to arrive. This in many cases helps improve the care that our Citizens and visitors to our area are able to receive.

Assistant Community Development Director (ACDD)

1. Train New Development and Environmental Review Specialist - The Community Development Department will be hiring a new Development and Environmental Review Specialist. In order for the CDD to provide efficient and friendly customer service throughout the entire permit process, it is important for all CDD staff to be proficient and knowledgeable of the Town's Ordinances, processes, and permitting requirements. The new D.E.R.S. will receive in-house training on Town specific processes, Town Regulations and Ordinances, as well attending UNCISOG training and certification courses to ensure a complete understanding of State guidelines and statutes regarding land use, subdivision, floodplain administration, and sedimentation and erosion control regulations.
2. Secure and train new Community Development Administrative Assistant - As the CDD only has 2 fulltime positions, provide the services needed to review applications, issue permits, respond to inquiries, staff 2 quasi-judicial boards and 1 legislative board, perform inspections, resolve violations through enforcement measures, maintain permitting records, digitize and archive permits, update and process required text amendments, process rezoning requests, provide technical assistance and improvements as needed, maintain and create GIS maps and databases, and many more various tasks and responsibilities during these times of increased development within the Town, the need for more help is a prominent request from the CDD. As such, the CDD wishes to secure a department dedicated part-time Administrative Assistant to provide assistance to the department.
3. Improve Technology Throughout Town -With the recent change in work environments due to the pandemic, the need for better technology within Town Hall has been a priority for the CDD. Improvements in connectivity with the use of better audio, video, and internet connection devices increases staff efficiency and preparation. The CDD will continue to suggest and implement better technology over the next year to continue improving the productivity of staff.

Finance Director (FC)

1. Create CAFR (Comprehensive Annual Financial Report) - The purpose of a CAFR is to be transparent about the use of taxpayers' money and to give the public a detailed accounting of all expenditures. A CAFR accomplishes this by including dozens of basic and more intricate financial reports along with notes, narratives and supporting data.
2. Streamline CIP Process – The streamlining and transparency measure that will bring town government closer to the people and put more information at the fingertips of the public. These transparency efforts would include a new comprehensive CIP which would include information on everything there is to know about the town future projects and construction.
3. Upgrade Fixed Assets Inventory - Having good fixed asset controls in place and understanding what assets the town owns and which departments/locations they are located are necessary. The condition of those assets and identifying which ones need to be fixed or sold is an important part of the accounting and purchasing process.

Public Works Director (PWD)

1. Electronic Water Meters – Replace all existing manual-read water meters with electronic-read water meters. Reading meters manually cost the town approximately \$32,000 in time per year. Installing electronic-read meters will save the town time (one week per month) and will free up all public works personnel to work on other projects. Given our steep slopes and meter locations, manual-read meters are high risk for possible staff injury.
2. Water Interconnect at Fire Fly Cove – This interconnect will ensure sufficient water supply to the Fire Fly Cove subdivision which at present only has one well. It cannot add more houses until additional water supply is available. This interconnect also moves the town closer toward becoming independent from the Chimney Rock Village water system.
3. Manage WWTP Sludge – In order to meet DEQ standards we must manage sludge coming into the WWTP. At present we do not have an effective sludge removal process. Because of present SOC negotiations, it is very important we have the proper sludge management process.

Dam & Hydroelectric Director (DHD)

1. Increase Power Output by 15% - With the utilization of both generator with our PPA schedule with Duke Energy I have set a goal of 15 percent increase monthly income for the power plant. The amount of rain we receive will be a big determining factor. The more power we produce the more money we make for the Town.
2. Automate Tainter Gates & Power Plant - Plans to hydro plant and lake level control fully automated before end of next fiscal year. Work would commence during next years proposed drawdown schedule. This allow for more effective and efficient regarding dam and hydro operations and also allows us to use staff in other ares like WWTP operations.

3. Takeover WWTP Operations - Take over responsibility for WWTP. Training and certifications are being sought after now. This will save the town approximately \$100,000 annually based on one analysis.

Town Engineer (TE)

1. Act as Unified Whole - The town elected officials, staff, and consultants act as a unified whole to make the town whole. The past collection of elected officials, staff, and consultants over the past many, many years have not done that. Collectively, they let the town “run to failure”, as defined by the public utilities Asset Management industry. To any professional Asset Manager is it easy to see why the town needs \$60M for their s.s. system; \$60M for their dam, \$XM for updating and improving your water system; \$XM to have reliable internet and cell phone connectivity; who knows how much to resolve the potentially dangerous situation with residents using wells that are subject to surface water; and the list goes on. The TOLL could be a thriving, busy, popular, resort center with many, many amenities that would draw people from all over the globe. Right now, it is a “wannabe”, but it could BE that in reality. The TOLL cannot get there with failing infrastructure and a lack or resolve to “right the ship.” As it stands, right now, I believe an overwhelming percentage of the elected officials, staff, and consultants are on board with righting the ship. The TOLL needs to get to a sustainable 100%.
2. Improve Financial Condition - Correct any and all financial deficiencies with all funds including the General Fund, Enterprise Fund and any other Fund, i.e. be rock solid financially sustainable. The only situation that readily pops up in my mind as an example is the perpetual subsidy of a golf course that was supposed to be self-sufficient years ago. I know that town is rectifying that. But any other “ghosts in the closet” need to be cleaned up and each and every department self-sustainable. The Policy Group is going to have a tuff row to hoe as it is, they don’t need to be saddled with explaining to representatives of the NC legislature about the bad financial decisions and practices of the town.
3. Maintain “Big Five” Focus - Get the Big Four Infrastructure pieces on the right track with actual “dirt being turned up” (real construction). The Big Four are wastewater system, water system, Dam (includes hydro), and Dredging. If you add reliable and fast internet capability and cell phone coverage then it’s the Big Five.

Town Manager (TM)

1. Execute Policies & Directives Promulgated by Town Council – In keeping with contractual obligations the laws of the State of North Carolina, carry out the policies and directives of the Lake Lure Town Council.
2. Support Department Heads & Key Staff – As the Town Manager, it is important that the Department Heads and Key Staff know I am support their sustained effort to serve the property owners, residents and those visiting the Town of Lake Lure.

3. **Maintain Performance Bonus Plan** - Retaining and recruit quality employees is important. The Town of Lake Lure is located in a somewhat remote section Western North Carolina. The cost of living is high and surrounding population is sparse. Drive times can be long for staff. Moreover, turnover is relatively higher than it used to be. All total, these combine to represent a significant challenge to a small town when recruiting and retaining highly qualified personnel to operate the unique services associated with a lake community. The Town must offer compensation and opportunities for quality personnel. Salary adjustments will need to be made for a handful of positions FY 21-22. However, overall, this is an ongoing challenge for the Town of Lake Lure. The town Manager recommends we maintain the performance bonus plan.

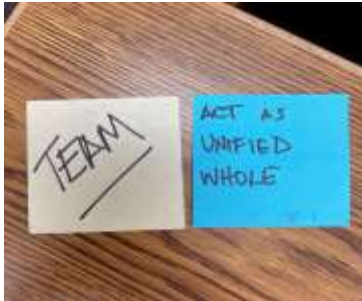
Others for Consideration (OC)

1. **Update & Maintain the Strategic Communication Plan and Talking Points** – This is a very important document that changes when new information is learned regarding the Town's infrastructure and financial position. This document is ever changing and must be kept up to date so that Town can effectively communicate needs and desires in clear strategic fashion to influencers.
2. **Evaluate Financial Relationship with CRSP** - As more visitors come to the Lake Lure area, business opportunities grow for entrepreneurs. As more visitors come, more folks become acquainted to Lake Lure and very well may purchase homes, rent boats, stay in accommodations, eat at our restaurants and shop in our retail stores. The Park has a very impact on the local economy. We are thankful and desire to maintain a wonderful relationship with CRSP. As more properties inside the corporate limits of the Town of Lake Lure are purchased by Chimney Rock State Park, more of the town tax base disappears. As more visitors come to the Park, more rescues by the town (and volunteer personnel) must be performed. It would be prudent to perform an economic impact analysis of the Park on the Town of Lake Lure and the local economy.
3. **Facilitate Special Legislation (Local Bills)** – Working closely with The Policy Group, the Town of Lake Lure should develop a clear list of needs readily translated into proposed legislation that could be enacted on behalf of the Town of Lake Lure.

Thematic Organization of Input

Theme 1: Team – Act as Unified Whole

The town elected officials, staff, and consultants must act as a unified whole during FY 21-22 to make the town whole, again.



Theme 2: Maintain “Big Five” Focus

In addition to the design and construction of the reservoir drain and Phase 1a sewer improvements, the town should do the following during FY 21-22:

--Sewer

- Take Over WWTP Operations
- Manage Sludge Effectively

--Water

- Install Electronic Water Meters
- Complete Water Interconnect

--Dam & Hydro

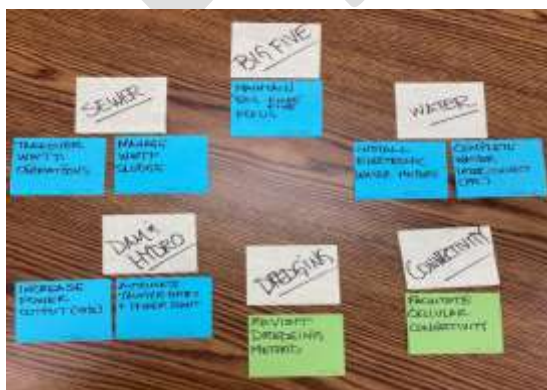
- Increase Power Output
- Automate Tainter Gates
- Automate Power Plant

--Dredging

- Revisit Dredging Methodology

--Connectivity

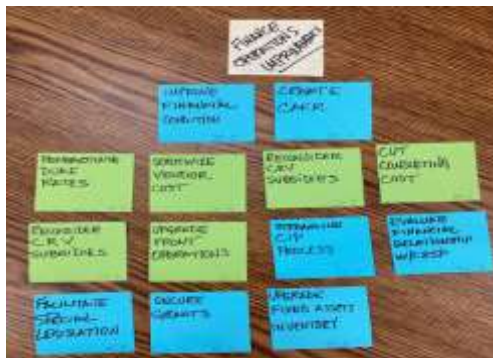
- Facilitate Cellular Connectivity



Theme 3: Improve Finance Operations

Based on the input received from Town Council and Town Staff, a major emphasis needs to be placed on finance operations during FY 21-22 including but limited to:

- Improving Financial Condition/Position
- Renegotiating Duke Energy Rates
- Scrutinizing Vendor Costs
- Reconsidering CRV Subsidies (x 2)
- Cutting Consulting Costs
- Streamlining CIP Process
- Evaluating Financial Relationship with CRSP
- Facilitating Special Legislation from the NC General Assembly
- Securing Grants
- Upgrading Fixed Asset Inventory
- Creating CAFR
- Upgrading Front Staff Operations



Theme 4: Grow the Economy

A small town is limited as what it can do to grow its economy. However, the Town of Lake Lure does have assets that can be strategically repurposed, developed or sold. These are some of the thoughts:

- Develop Marina Property
- Attract More Business
- Sell Commercial Property
- Sell Town Property
- Develop Amphitheater Property
- Repurpose Golf Course Property
- Secure Boys Camp Road Campground Investments



Theme 5: Constant Clear Communication Changes Perceptions

Certainly with bringing the Communications Specialist position in-house, very large improvements have been made. Below are some of the suggestions for FY 21-22 relative to communications:

- Launch a New Website
- Host Community Forums
- Maintain Strategic Communications Plan



Theme 6: Keeping the Public Safe is critical to our Mission

- Maintain High Morale
- Maintain Low Crime Rate
- Improve Fire House Facilities
- Train all Fire Department Staff in AEMT
- Retain/Recruit Experienced Staff
- Train Staff in Dive Rescue

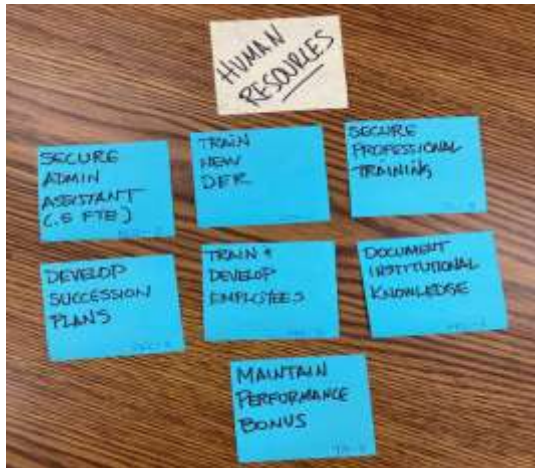


Theme 7: People, Our Most Important Asset

Below are some of the suggested actions we need like to undertake during FY 21-22:

- Secure Professional Training
- Document institutional Knowledge
- Train & Develop Employees/Staff
- Maintain Performance Bonus
- Allocate/Secure Administrative Assistant hours for Community Development (.5 FTE)
- Develop Succession Plans

--Train the New DER (Community Development staff)



Theme 8: Records Matter in our Business

The Town Clerk believes she should put new energy into the following activities during FY 21-22. The Town Manager agrees. The two main items are:

--Organize Records Room

--Inventory All Contracts and Identify Key Dates



CIP Overview for FY 21-22 (Preliminary)					
	 (Ctrl) ▾				Cost
Police					\$52,000
	Vehicle Replacement				\$52,000
	Vehicle Replacement				
Fire					
	Heart Monitor Lease				\$8,000
	Construction Drawings - Fire Department Expansion				\$10,000
	Construction of Fire Department Expansion				\$200,000
Public Works - Water					
	Fire Fly Cove Interconnect				\$350,000
	Watertight Hatch for Water Tank				\$6,000
	Water Meters - Electronic Read				\$200,000
Public Works - General					
	Fence - Public Works Yard				\$60,000
	Vehicle Replacement				\$40,000
	Street Paving				\$180,000
Hydro Electric					
	Automation of Tainter Gates, Power House & Electronics				\$380,000
	Vehicle Replacement				\$48,000
Community Development					
	Stabilize Tryon Bay Lot (Duck Cove Properties)				\$165,000
	Town Center Main Street Plan (Egress for CRSP)				\$50,000
	Walkway to CRV				\$500,000
	Rewrite Land Development Regulations				\$15,000
Parks, Recreation & Lake					
	Mower (Zero Turn)				\$20,000
	Barge				\$40,000
	Drainage System at the Boardwalk/Beach				\$50,000
Communications					
	Special Projects				\$6,000
Finance					\$0
Town Clerk					
	Laptop				\$1,000
	Cameras				\$1,000
Human Resources					
	ID Maker				\$2,500
Administration					
	IT				\$10,000
				Total	\$2,446,500