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# Town of Lake Lure

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## MINUTES OF THE RECESSED SPECIAL BUDGET WORKSHOP MEETING OF THE LAKE LURE TOWN COUNCIL HELD THURSDAY, MAY 21, 1998 10:00 A.M. AT THE LAKE LURE MUNICIPAL CENTER

PRESENT: Mayor Jack Powell  
Commissioner Carolyn Cobb  
Commissioner Beth Rose  
Commissioner Gene Sheffield  
Commissioner Jack Stanier  
  
John R. Strutner, Town Manager  
Sam A. Karr, Finance Director

ABSENT: N/A

### CALL TO ORDER

Mayor Powell called the meeting to order at 10:00 a.m.

### INVOCATION

Commissioner Cobb gave the invocation

### DISCUSS PRELIMINARY BUDGET ITEMS FOR FISCAL YEAR 1998-1999

Council discussed the draft minutes of the May 15, 1998 Recessed Budget Workshop Meeting as presented by the Town Clerk. After review, Council agreed to revise the following action previously made during the May 15, 1998 Recessed Budget Workshop Meeting.

~~The part-time public works position was also eliminated with the stipulation that this position be paid out of contractual services based on per job rendered to the town.~~ Funding for the part-time public works position was also reduced by approximately 50% with the stipulation that this position's benefits be reduced accordingly, and the health insurance coverage eliminated.

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Mayor Powell gave a review of the revised budget additions as per the Friday, May 15, 1998 Budget Workshop Meeting.

Mayor Powell reported that at the last meeting of the Golf Course Committee it was indicated that the Committee would submit to Council a recommendation that there be an approximate 10% across the board increase, including cart, membership, and green fees.

Council discussed street signs. The Town is currently awaiting a street map from the County. Town Manager Strutner reported to Council that he had spoken with Greg Dotson, E-911 Director, and they are still waiting for the map to be returned from their vendor. Mayor Powell requested that Town Manager Strutner draft a letter to Bill Bush for the Mayor's signature explaining the situation since he requested an explanation at the May 19th meeting. Also, Mayor Powell requested that the appropriation of funding the signs from the Contingency Account of the current year be addressed at the June 16th Council Meeting.

Commissioner Rose moved to reduce the Administrative Travel Expense, Line item 104200.1400 in the amount of \$2,370.00 by eliminating travel and training of the Clerks, with the exception of the one day Clerks School for both Clerks, and to eliminate the Annual Employee Christmas Dinner. Commissioner Cobb seconded the motion. The vote of approval was unanimous. It was also noted by Commissioner Cobb she saw no advantage to comp time for Administrative personnel. This time better serves the taxpayers during normal work hours.

Council discussed the voice mail phone system in the Municipal Center. All Council Members, with the exception, of the Mayor, requested that their mailboxes be deleted from the system.

With the increased cost of mailing and distribution, Commissioner Rose moved, seconded by Commissioner Cobb, to increase the newsletter subscription from \$6.00 per year to \$7.00 per year, effective July 1, 1998. The vote of approval was unanimous.

Commissioner Rose moved, seconded by Commissioner Cobb, that the Governing Body Expense Line Item 104100.1400 Travel and Training be reduced to the amount of \$6,800.00. The vote of approval was unanimous.

Mayor Powell expressed his concern of not increasing the property tax. The Town's current tax rate is among the lowest in the State. Town Manager Strutner recommended that Council cut the budget where possible and raise the taxes gradually rather than a large lump sum so they could better explain the tax increase, if adopted, to the taxpayers.

Mayor Powell appointed Commissioner Cobb and Commissioner Rose to plan an employee potluck dinner in lieu of the employee Christmas dinner.

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Commissioner Cobb moved, seconded by Commissioner Rose, to enact an administrative charge to the hydro-electric fund of 6% of the general fund administrative department expenditure budget (rounded to the nearest thousand dollars) to reimburse the general fund for management supervision, accounting and computer expenses, insurance, photocopying and office supplies. The vote of approval was unanimous.

After much discussion, Commissioner Stanier moved, seconded by Commissioner Cobb, to increase the ad valorem taxes in the amount of 1 cent from the current amount of .30 per hundred making the tax rate .31 per hundred in order to help balance the budget. Commissioner Stanier, Cobb and Rose voted yes. Commissioner Sheffield voted no. Therefore, the motion passed with a 3-1 vote. The Public Hearing on the budget and tax rate will be held at the June Regular Council Meeting.

Council broke for a thirty minute lunch break at approximately 2:00 p.m. The meeting reconvened at 2:30 p.m.

Town Manager Strutner recommended a 2% increase for William Grimes, Hydro/Wastewater Manager, and Sam Karr, Finance Director, in addition to the 3% COLA. He felt these individuals were due this one time extra 2% amount for their new and additional job duties.

Commissioner Cobb moved, seconded by Commissioner Stanier, to approve a one time incentive of an extra 2% for William Grimes and Sam Karr as recommended by the Town Manager. Commissioner Rose voted yes and Commissioner Sheffield voted no. Therefore, the motion passed with a 3-1 vote.

Council discussed water and sewer rates. Mayor Powell recommended that Council undertake a study to determine if the charges for customers for sewer using water consumption as a basis are equitable when compared to customers charged a flat fee.

Commissioner Cobb moved, seconded by Commissioner Sheffield, to place a 10% increase on all water rates rounding up to the nearest dollar amount. The connection fee will remain the same. The vote of approval was unanimous.

It was the consensus of Council to relocate the postage line item for water/sewer from the water department to the sewer department.

Commissioner Cobb was excused from the meeting at approximately 3:35 p.m. for a prior appointment.

Mayor Powell suggested a contingency line item in the amount of \$1,000 in the Hydro-Electric Fund expenditure budget. Therefore, Commissioner Sheffield moved, seconded by

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Commissioner Stanier, to place a contingency line item in the amount of \$1,000 as recommended. The vote of approval was unanimous.

If legally possible, Commissioner Sheffield moved, seconded by Commissioner Rose, to send in one check in the amount of \$2,400.00 from the Hydro-Electric Fund to the Small Hydro Association to help cover their expenses of effecting an extension of the Duke Power Contract which greatly benefited the Town. The vote of approval was unanimous.

Per the Mayor's suggestion, Commissioner Sheffield moved, seconded by Commissioner Stanier, to enact an administrative charge to the Water/Sewer Fund of 6% of the general fund administrative department expenditure budget (rounded to the nearest thousand dollars) to reimburse the general fund for management supervision, accounting and computer expenses, insurance, photocopying and office supplies and to make a transfer from the General Fund to the Water/Sewer Fund of \$50,000 in part repayment of the \$234,000 transfer from fiscal year ended 1997. The vote of approval was unanimous.

Mayor Powell indicated that at the Budget Hearing Meeting he would present transparencies of last year's budget compared to this year's budget

With no further discussion, Commissioner Rose moved, seconded by Commissioner Sheffield, to recess the meeting until Thursday, 9:30 a.m. at the Municipal Center. The vote of approval was unanimous.

ATTEST:



*Anita H. Taylor*  
Anita H. Taylor, CMC/AAE  
Deputy Town Clerk

*Jack Powell*  
Mayor Jack Powell