

BUDGET HEARING and SPECIAL BOARD MEETING of June 28, 2006, with Mayor Don Mullen and Commissioners Amy Patterson, Hank Ross, and Alan Marsh present. Comm. H. N. James was not present and Comm. Dennis DeWolf was out of Town.

Also present were Richard Betz and Kim Lewicki.

A. Budget Hearing.

The Mayor called the Budget Hearing to order at 8:00 a.m., and stated that this was the time and place to receive comments from the public on the FY 06-07 Budget, as presented on May 31, 2006; notice had appeared in The Highlander newspaper pursuant to law.

There were no comments, and the Mayor closed the hearing.

B. Special Board Meeting.

I. The Mayor called the Special Meeting to order at 8:01 a.m.

II. Approval of Agenda.

Copies of the agenda were distributed at the meeting. The agenda was approved by consensus.

III. Business.

1. The Board reviewed the Ordinance amending the FY 05-06 budget, copies of which were distributed at the meeting. The Town Administrator explained that the purpose of amending the budget was to satisfy auditing requirements by adjusting estimates used to prepare the original budget and to recognize decisions made to fund new projects during the fiscal year. Numbers used for the amended budget were only estimates; actual revenues and expenditures would be reflected in the audit.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. MARSH, AND UNANIMOUSLY CARRIED TO ADOPT AN ORDINANCE TO AMEND THE BUDGET OF THE TOWN OF HIGHLANDS FOR THE FISCAL YEAR JULY 1, 2005 THROUGH JUNE 30, 2006. A copy is attached hereto and made a permanent part of this record.

2. The Board reviewed the proposed FY 06-07 budget, copies of which were distributed at the meeting. The Town Administrator reported that he had incorporated the items identified at the budget work sessions into the new budget, including the additional tax increase. Also distributed were the proposed rate amendments for Water, Sewer, and Solid Waste.

The Board discussed the amount of funding provided for repairs to the Conference Center, which had been increased from \$5,000 to \$10,000 at the last work session. Although Comm. DeWolf was not present, the Mayor reported that recent estimates were as high as \$50,000 and would include better insulating the building to make it more energy efficient. Comm. Patterson that, regardless of the Chamber of Commerce's lease of the building, she felt that the improvements needed to be made. The Board agreed by consensus to increased the budgeted amount to \$50,000 and continue discussions about the lease.

The Town Administrator asked the Board to consider a cost-of-living allowance of 3% for all employees, effective with the new fiscal year as it normally was; salary grade and step increases would be presented in August in the

context of the new salary study. The Board agreed by consensus.

The Board also discussed funds for litter pick-up, sidewalks, and stormwater control, which had not been included in the budget. Comm. Marsh made a motion to increase the tax rate an additional one cent in order to provide for a capital reserve fund for stormwater projects. The motion was not seconded and the Mayor declared it dead.

MOVED BY COMM. PATTERSON, SECONDED BY COMM. ROSS, AND UNANIMOUSLY CARRIED TO ADOPT THE TOWN OF HIGHLANDS BUDGET ORDINANCE FOR THE FISCAL YEAR JULY 1, 2006 THROUGH JUNE 30, 2007, WITH AN AD VALOREM TAX RATE OF 0.19 PER \$100.00 VALUATION AND WATER, SEWER, AND SOLID WASTE RATE AMENDMENTS AS PRESENTED. A copy is attached hereto and made a permanent part of this record.

The rate amendments adopted by the Board are as follows:

WATER RATES
EFFECTIVE JULY 1, 2006

Water Connection Fees

| | | | | | | |
|-----------------|-------|--------|-------------------------------------|--------|--------|---------|
| 3/4" meter | \$600 | \$1000 | inside Town, | \$1200 | \$1500 | outside |
| 1" meter | \$700 | \$1200 | inside Town, | \$1400 | | N/A |
| 1-1¼" and 1-1½" | \$900 | \$1400 | inside Town, | \$1800 | | N/A |
| 2" and larger | \$600 | \$1600 | plus cost of meter and installation | | | |

Water Rates

Minimum Charges—Residential:

| Size of Meter | Inside Town | | Outside Town | |
|---------------|-------------|-------|--------------|-------|
| 3/4" | 15.00 | 20.00 | 30.00 | 40.00 |
| 1" | 20.00 | 30.00 | 40.00 | N/A |
| 1½" | 35.00 | N/A | 70.00 | N/A |
| 2" | 40.00 | 60.00 | 80.00 | N/A |
| 3" | 50.00 | 80.00 | 100.00 | N/A |

Minimum Charges—Commercial:

Size of Meter

| | | |
|------|-------|--------|
| 3/4" | 20.00 | 30.00 |
| 1" | 25.00 | 40.00 |
| 1½" | 45.00 | 70.00 |
| 2" | 55.00 | 85.00 |
| 3" | 65.00 | 100.00 |

Usage Rates:

3/4" Meter:

First 2,500 gallons: minimum charge
Next 10,000 1,000,000 gallons: \$2.40 \$5.00 per 1000 gallons

1" Meter:

First 9,000 gallons: minimum charge

Next 10,000 1,000,000 gallons: \$2.40 \$5.00 per 1000 gallons

2" Meter:

First 10,500 gallons: minimum charge

Next 10,000 1,000,000 gallons: \$2.40 \$5.00 per 1000 gallons

3" Meter:

First 12,500 gallons: minimum charge

Next 10,000 1,000,000 gallons: \$2.40 \$5.00 per 1000 gallons

SEWER RATES

EFFECTIVE JULY 1 2006

Sewer Rates

135% 80% of water rate

SOLID WASTE RATES

EFFECTIVE JULY 1, 2006

Residential Garbage Rates

Residential: \$12.00 \$14.00 per month

Commercial Garbage Rates

Commercial: \$14.00 \$16.00 per month for each weekly pickup, up to 6 pickups per week.

Dumpster Fees

\$30.00 \$40.00 per month for single business use.

IV. The Board agreed by consensus to adjourn.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:40 a.m.

Richard Betz, Town Clerk