

BUDGET HEARING and SPECIAL BOARD MEETING of June 26, 2002, with Mayor Pro Tem Amy Patterson and Commissioners H. N. James, Mike Cavender, Ron Sanders, and Hank Ross present.

Also present were Richard Betz and Lamar Nix.

A. Budget Hearing.

The Mayor Pro Tem 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 02-03 Budget, as presented on May 29, 2002; notice had appeared in The Highlander newspaper pursuant to law.

There were no members of the public present to comment on the proposed budget, and the Mayor Pro Tem declared the hearing closed.

B. Special Board Meeting.

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

II. Approval of Agenda.

Copies of the agenda were distributed at the meeting.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE THE AGENDA.

III. Business.

1. The Board discussed the Ordinance amending the FY 01-02 budget, copies of which were distributed at the meeting.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO ADOPT AN ORDINANCE TO AMEND THE BUDGET OF THE TOWN OF HIGHLANDS FOR THE FISCAL YEAR JULY 1, 2001 THROUGH JUNE 30, 2002. A copy is attached hereto and made a permanent part of this record.

2. The Board discussed the proposed FY 02-03 budget, copies of which were distributed at the meeting.

The Treasurer reported that he had changed two line items in the budget pursuant in part to the discussion at the previous meeting: Landscaping in the Street Department had been increased from \$10,000 to \$20,000 due to proposed landscaping along Maple Street, and Capital Outlay Equipment in the Water Department had been decreased from \$50,000 to \$30,000 due to expenditure for the Water Plant SCADA equipment in FY 01-02. Comm. James also suggested that the item "Capital Outlay Other Street Paving" should be changed to reflect use of these funds for sidewalks or other street improvements, not just paving.

The budget included funding requests from Hudson Library, the Peggy Crosby Center, the Macon County Humane Society, and the Highlands Historical Society, as well as a request from the Highlands Emergency Council that the Town subsidize the cost of electric service for its building on Poplar Street, amounting to approximately \$700 per year. The budget also included a recommended increase in residential solid waste fees from \$9.00 per month to \$10.00. Comm. James expressed some disagreement with the increase in fees. The Treasurer said that he understood policy had been to fund the Sanitation Department like an Enterprise Fund, paying for operating expenses out of fees collected, but that it was not required by law.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO ADOPT THE TOWN OF HIGHLANDS BUDGET ORDINANCE FOR THE FISCAL YEAR JULY 1, 2002 THROUGH JUNE 30, 2003, WITH AN AD VALOREM TAX RATE OF 0.18 PER \$100.00 VALUATION, AND INCLUDING THE BUDGET REQUESTS

INCLUDED IN THE BUDGET AND THE INCREASE IN SOLID WASTE FEES PROPOSED, EFFECTIVE JULY 1, 2002. A copy is attached hereto and made a permanent part of this record.

3. The Town Administrator had also provided information on an optional supplemental group life insurance policy for full-time employees which had been provided by William Stuart of Met-Life as a result of some inquiries from several employees. The policy, a group plan requiring 25% participation, would be a payroll deduction but would be entirely funded by participating employees. Comm. James said that he would approve providing the payroll deduction for the insurance, but that it should be made clear that the Town does not endorse the life insurance policy.

MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO APPROVE THE PAYROLL DEDUCTION FOR THE OPTIONAL LIFE INSURANCE POLICY.

IV. MOVED BY COMM. CAVENDER, SECONDED BY COMM. SANDERS, AND UNANIMOUSLY CARRIED TO ADJOURN.

There being no further business to come before the Board, the meeting was declared adjourned by the Mayor at 8:20 a.m.

Richard Betz, Town Clerk