

SPECIAL BOARD MEETING of May 26, 2004, with Mayor Buck Trott and Commissioners Hank Ross, H. N. James, Dennis DeWolf, and Alan Marsh present; Comm. Patterson was out of Town.

Also present were Richard Betz, Kim Lewicki, Virginia Fleming, and Rosemary Fleming.

I. Call to Order.

The Mayor called the Special Board Meeting to order at 7:00 p.m. and stated that the purpose of the meeting was presentation of the FY 04-05 Budget.

II. Business.

Each Board member had received a copy of the FY 04-05 Budget and Budget Message. The Town Administrator proceeded to review the Budget Message in detail. Among the items discussed were the following:

- Major capital projects, consisting of the Wastewater Treatment Plant Expansion (\$3,921,000), Holt Knob Water System Improvements (\$150,000), and Poplar Street Sewer Line (\$280,000).
- Water remediation & preservation project, for which Federal funding is being sought.
- Macon County water/sewer funding, consisting of a pool of \$450,000 on a project by project basis, with a preliminary understanding that funds would only be provided for projects outside the Town limits. It was reported that Macon County has still not disbursed the Town's \$300,000 final withdrawal from the Water and Sewer Fund, which expired with this fiscal year.
- Macon County funding for the Recreation Park; a meeting is to be scheduled between Town Board and County Commissioners.
- Maintenance of healthy fund balances in all funds.
- Healthy ad valorem tax and sales tax revenues in the General Fund, but a shortfall in the Sanitation Department. While not required by law, it was recommended that the Department be treated like an Enterprise Fund, generating income solely from user fees; the budget therefore recommended an increase of \$5.00 per month for residential user fees, which would generate \$114,000 in revenue. Comm. James suggested that the Board instead consider a one-cent increase in ad valorem taxes, from \$0.15 per \$100 valuation to \$0.16, which would generate a little over \$100,000. It was agreed that this would be considered at the June 2 meeting.
- No increase in rates for electric, water, or sewer.
- Expenditures for vehicles in the Water Department and Street Department, reimbursement to the Old Edwards Inn for the handrail on East Main Street, balance of the Utility Pole Survey to be completed by October, and creation of a new GIS/Field Technician position. It had been decided to defer action on the Satulah Mountain Water Tank, Warehouse Building No. 2, and clearing land at the Cemetery.
- \$50,000 for non-profits; the budget requests would be discussed at the June 2 meeting.
- Health Insurance, consisting of a recommendation to retain the policy of 100% employer funding of health insurance that has been in effect for a number of years.
- No increases in Workers Compensation insurance, and reduction in Property/General Liability insurance.

- A 3% cost of living allowance, as well as a small number of individual merit increases; the recommendations would be ready for review in Closed Session on June 2.

- An updated 5-year Capital Improvements Program identifying significant upcoming capital costs.

- Comm. Ross expressed concern over the \$100,000 budgeted in the Street Department for Capital Outlay Additional Paving/Sidewalks; he wondered if that would be adequate for planned streetscape improvements. A sub-committee consisting of Comm. Ross, the Town Planner, and the Town Engineer is working on a pilot trash can design, but costs could be between \$800 and \$1200; tree planters are estimated at between \$1200 and \$1500.

IV. MOVED BY COMM. JAMES, SECONDED BY COMM. DEWOLF, 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 p.m.

Richard Betz, Town Clerk