

Special Meeting Minutes of the Town Board of Commissioners Meeting of May 16, 2013 at the Highlands Community Building, 71 Poplar Street, Highlands, North Carolina.

Town Board Present: Commissioner John Dotson, Commissioner Amy Patterson, Commissioner Gary Drake, Mayor David Wilkes, Mayor Pro Tempore Eric Pierson and Commissioner Brian Stiehler.

Also Present: Town Manager Robert Frye, Town Clerk Rebecca Shuler, Parks and Recreation Director Lester Norris, MIS/GIS Director Matt Shuler, Public Works Director Lamar Nix, Human Resources Director Sonjia Gibson, Finance Director Chuck Young, Police Chief Bill Harrell and Planning and Development Director David Clabo.

1. Meeting Called to Order

Mayor Wilkes called the meeting to order at 3:00pm.

2. Adjust and Approve Agenda

Commissioner Drake made a motion to approve the agenda, which was seconded by Commissioner Dotson and the vote was unanimous.

3. Proposed FY 2013-14 Budget Review

Manager Frye presented the Board with a copy of the proposed FY 2013-14 budget document for review. He also included supporting documentation including the budget ordinance and list of capital projects included in the budget.

As required by the General Statues of North Carolina, the revenues and expenditures presented within this budget are balanced.

In order to present a balanced budget across all funds, it is necessary to appropriate \$218,230.00 from undesignated General Fund Balance and a further \$218,229.00 from the Electric Reserve Fund for a combined total of \$436,458.00.

These funds are used to offset operational and capital project deficits within the Parks and Recreation Department.

This will leave the following amounts in the respective funds:
\$1,533,968.00 in undesignated general fund balance
\$2,233,450.00 in in the electric reserve fund

All other funds are self-supporting and require no outside fund transfers to enable them to operate.

BUDGET HIGHLIGHTS

As presented, the overall FY 2013-14 Budget has revenues and expenditures totaling \$13,189,591.00.

The current Town of Highlands Ad Valorem tax rate of .135 per \$100 valuation remains unchanged within the FY 21013-14 Budget.

The current Highlands Volunteer Fire Department tax rate of .009 per \$100 valuation remains unchanged within the FY 2013-14 Budget.

The current Town of Highlands minimum charge for electrical service remains unchanged at \$19.72 per month for residential customers and \$22.01 (single phase) or \$31.74 (three phase) per month for commercial users.

The current Town of Highlands minimum charge for water and sewer service remains unchanged at \$32.00 per month for residential customers and \$42.00 per month for commercial users.

The current Town of Highlands minimum charge for residential trash pickup remains unchanged at \$18.50 per month for residential customers.

The FY 2013-14 Budget also includes a 2% Cost of Living Adjustment (COLA) for all full time employees.

TOTAL EXPENDITURES

Total Expenditures for all funds is split between the individual funds as follows:

General Fund	\$4,895,227.00
Scholarship Fund	\$37,700.00
Fire and Rescue Special Revenue Fund	\$371,264.00
Cemetery Fund	\$126,200.00
Water Enterprise Fund	\$1,628,989.00
Sewer Enterprise Fund	\$619,411.00
Capital Projects Fund	\$158,140.00
Sanitation Enterprise Fund	\$577,129.00
Electric Enterprise Fund	\$4,775,531.00
Total Expenditures	\$13,189,591.00

Manager Frye presented the following Capital Projects.

FY 2013-14 Capital Projects

Street Department

Street Work (Paving)

Memorial Drive	\$54,000.00
Sub Total	\$54,000.00

Equipment

Replacement Street Sweeper	\$57,000.00
Replacement Back Hoe	\$82,000.00
Sub Total	\$139,000.00

Sidewalks

Main Street (Oak Street to First Street)	\$115,000.00
Police Department Sidewalk/Retaining Wall	\$90,000.00
Sub Total	\$205,000.00
Total	\$398,000.00

Sanitation Department

Replacement Dumpsters/Dumpster Lids	
Total	\$13,869.00

Water Department

Waterline Repair/Replacements	
Big Bear Pen	\$200,000.00
Equipment	
Replacement Service Truck	\$55,000.00

Total **\$255,000.00**

Wastewater Treatment

Treatment Plant Storage Tank Rehab (1 tank)	\$62,000.00
Arnold Road Pump Station Rehab	\$20,000.00
Total	\$82,000.00

Police Department

Replacement Police Vehicles (Ford Taurus) x2	
Total	\$65,000.00

MIS/GIS

Water Intake Communications Upgrade	\$24,000.00
Community Building Generator Connection	\$10,000.00
GPS Units	\$20,000.00
Ground Penetrating Radar	\$14,000.00
Total	\$68,000.00

Parks and Recreation

Civic Center Upgrades

HVAC Upgrade	\$144,975.00
Exterior Door Replacement	\$54,696.00
Pool Replacement (50/50 split with County)	\$225,000.00
Sub Total	\$424,671.00
Equipment	
Total	\$424,671.00

General Fund Departments	\$955,671.00
Water/Sewer Fund	\$337,000.00
Sanitation Fund	\$13,869.00

Grand Total **\$1,306,540.00**

The following Budget Ordinance was also presented.

**TOWN OF HIGHLANDS
BUDGET ORDINANCE
FISCAL YEAR 2014
JULY 1, 2013 THRU JUNE 30, 2014**

BE IT ORDAINED by the Board of Commissioners of the Town of Highlands, North Carolina, assembled this 20th day of June 2013, that the following fund revenues and department and/or fund expenditures be adopted:

SECTION I. TOTAL REVENUES

General Fund	\$ 4,895,227.00
Scholarship Fund	\$37,700.00
Fire & Rescue Special Revenue Fund	\$371,264.00
Cemetery Fund	\$126,200.00
Water Enterprise Fund	\$1,628,989.00
Sewer Enterprise Fund	\$619,411.00
Capital Projects Fund	\$158,140.00

Sanitation Enterprise Fund	\$577,129.00
Electric Enterprise Fund	<u>\$ 4,775,531.00</u>
Total Revenues	\$13,189,591.00

SECTION II. TOTAL EXPENDITURES

General Fund	\$ 4,895,227.00
Scholarship Fund	\$37,700.00
Fire & Rescue Special Revenue Fund	\$371,264.00
Cemetery Fund	\$126,200.00
Water Enterprise Fund	\$1,628,989.00
Sewer Enterprise Fund	\$619,411.00
Capital Projects Fund	\$158,140.00
Sanitation Enterprise Fund	\$577,129.00
Electric Enterprise Fund	<u>\$ 4,775,531.00</u>
Total Revenues	\$13,189,591.00

SECTION III. TAX RATES ESTABLISHED

An Ad Valorem tax rate \$.135 per \$100 valuation is hereby established for the General Fund purposes for the Town of Highlands for FY13. This rate is based on an approximate valuation of \$1,881,281,265.00 and an estimated collection rate of 98.3%.

An Ad Valorem tax rate of \$.009 per \$100 valuation is hereby established for Fire & Rescue for the Town of Highlands for FY13.

SECTION IV. BUDGET ORDINANCE

This ordinance shall be the basis of the financial plan for the Town of Highlands during the fiscal year 2014. The approved annual budget for all funds, which shows line item detail, will be used for tracking revenue and expenditures.

ATTEST:

APPROVED:

Robert A. Frye, Jr., Town Manager

David Wilkes, Mayor

There was a very brief discussion as to the funding from the County for the construction of a new pool. Manager Frye informed the Board that County Manager Jack Horton was hoping to have ½ the money for the pool to the Town in this fiscal year by June 30th and the other ½ to the Town in the next fiscal year by July 1st.

Commissioner Patterson questioned the fund balances for the electric, water and sewer funds. Manager Frye asked Patterson to look in the budget memo and relayed that the numbers shown there equal approximately 31% for General Fund and 44% for the Electric Fund.

Manager Frye mentioned Monday night's County Commissioner meeting and let the Board know that there was not a time set aside in the County's agenda for discussion with the Town, therefore it wasn't necessary for everyone to be in attendance.

4. Adjournment

As there were no further matters to come before the Board of Commissioners, Commissioner Stiehler moved to adjourn, which was seconded by Commissioner Drake and upon unanimous vote, the Town Board adjourned at 3:24pm.

W. David Wilkes
Mayor

Rebecca R. Shuler, CMC, NCCMC
Town Clerk