

**Special Meeting Minutes of the Town Board of Commissioners Meeting of May 31, 2012 at the Highlands Community Building, 71 Poplar Street, Highlands, North Carolina.**

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

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

**1. Meeting Called to Order**

Mayor Wilkes called the meeting to order at 2:59pm.

**2. Budget Memo**

Town Manager Frye presented the FY 2012-13 Budget to the Mayor and Board of Commissioners and went over several highlights including:

- ❖ Overall revenues and expenditures totaling \$13,019,315.00.
- ❖ A \$155,168.00 General Fund Balance Appropriation being used as follows: \$74,138.00 to balance the General Fund Budget and the remaining \$80,930.00 being transferred to Recreation Special Revenue Fund.
- ❖ All other funds are self-supporting and require no fund transfers to enable them to operate.
- ❖ An unchanged Ad Valorem tax rate of .135 per \$100.
- ❖ An increase in the Highlands Fire District Ad Valorem tax rate from .009 per \$100.00 valuation to .010 per \$100 valuation, as recommended by the Highlands Volunteer Fire Department Board of Directors.
- ❖ A 6% electric rate increase scheduled to take effect as of January 1<sup>st</sup> 2013.
- ❖ A 15% increase in the Town Sanitation Fee effective July 1<sup>st</sup>, 2012.
- ❖ A 20% increase in the Sewer Use Fee effective July 1<sup>st</sup>, 2012.
- ❖ A projected increase by 3% to Insurance costs and the Town will continue to pay 100% of employee dependent benefits.
- ❖ A 3% Cost of Living Adjustment (COLA) for all full time employees.
- ❖ \$15,000.00 allocated for non-profit funding currently apportioned at \$5,000 each for requests from the Child Development Center, Emergency Council, and Peggy Crosby Center.

**3. FY 2012-13 Revenues and Expenditures**

Manager Frye presented the Board with a Revenues and Expenditures worksheet outlining revenues and expenditures for FY 2012-13.

General Fund	Expenditures	Revenues	Fund Balance Appropriated
Governing Body	\$34,253.00		

Administration	\$1,068,750.00		
Planning/Zoning	\$207,053.00		
MIS/GIS	\$257,590.00		
Police Department	\$1,126,540.00		
Street Department	\$913,720.00		
Public Buildings	\$30,500.00		
<b>Total</b>	\$3,638,406.00	\$3,564,268.00	<\$74,138.00>
<b>Enterprise Funds</b>	<b>Expenditures</b>	<b>Revenues</b>	<b>Fund Balance Appropriated</b>
Water	\$1,405,000.00	\$1,405,000.00	
Sewer	\$972,645.00	\$603,000.00	\$369,645.00
Electric	\$4,490,882.00	\$4,290,000.00	\$200,882.00
Sanitation	\$676,847.00	\$676,847.00	
Recreation	\$613,930.00	\$533,000.00	<\$80,930.00>
Scholarship	\$37,700.00	\$37,700.00	
Cemetery	\$41,200.00	\$41,200.00	
Capital Projects	\$621,105.00	\$621,105.00	
Fire Department	\$521,600.00	\$521,600.00	
<b>Total</b>	\$9,380,909.00	\$9,299,979.00	<\$80,930.00>
<b>Grand Total</b>	\$13,019,315.00	\$12,864,247.00	<\$155,068.00>

Expenditure figures are based on the current year’s budget and the assumption that the individual budget line items will be 100% expended. The included revenue estimates are based on what was actually generated over the last several budget years.

**4. FY 2012-13 Capital Requests**

Manager Frye presented the Board with the following FY 2012-13 Capital Requests.

**Water Distribution**

Filter Media Rehab/Replacement	<b>Total</b>	<b>\$460,000.00</b>
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**Street Department**

Street Work (Paving)	
OEI	\$66,000.00
Little Bear Pen Road	\$76,000.00
Wahoo Road	\$28,000.00
Mt. Lori Road	\$69,000.00
Chowan Repair	<u>\$25,000.00</u>
<b>Total</b>	<b>\$264,000.00</b>

**Sanitation Department**

Replacement Garbage Truck	<b>Total</b>	<b>\$120,000.00</b>
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## **Electrical Department**

4x4 Service Bucket Truck	<b>Total</b>	<b>\$115,000.00</b>
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## **MIS/GIS**

Fiber Optic to Water and Sewer Plants	\$35,000.00
Reconfigure Services for Reliability/Virtualization	\$12,000.00
Replacement Equipment	
Servers x2	\$12,000.00
NAS	\$6,000.00

<b>Total</b>	<b>\$65,000.00</b>
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<b>Grand Total</b>	<b>\$1,024,000.00</b>
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## **5. Wayfinding**

Manager Frye presented the Board with the following proposed budget for the Small Town Main Street Program and stated there was \$20,000.00 included in the FY 2012-13 budget for wayfinding.

### **Small Town Main Street Program Proposed Budget for Fabrication and Installation of Wayfinding Signs for Highlands**

4 gateway signs: \$2,700-\$3,200 each installed = \$10,800 - \$12,800  
10 vehicular directional signs: \$1,800 - \$2,500 each installed = \$18,000 - \$25,000  
5 parking directional signs: \$900 - \$1,400 each installed = \$4,500 - \$7,000  
6 pedestrian kiosks: no estimate (the Chamber of Commerce's current kiosks can be repurposed)  
Total for 25 signs: \$33,300 minimum - \$44,800 maximum

These are very rough estimates of the number and types of wayfinding signs that Frazier Associates will propose when they survey the town beginning on May 31, 2012.

Randolph Shaffner  
For the STMS Steering Committee  
May 21, 2012

## **6. Budget Message/Ordinance/Worksheet**

Manager Frye presented the Budget Message, Budget Ordinance, and Budget Worksheet to the Board. The Proposed Budget Ordinance is as follows:

### **TOWN OF HIGHLANDS BUDGET ORDINANCE FISCAL YEAR 2013 JULY 1, 2012 THRU JUNE 30, 2013**

**BE IT ORDAINED** by the Board of Commissioners of the Town of Highlands, North Carolina, assembled this 21st day of June 2012, that the following fund revenues and department and/or fund expenditures be adopted:

## **SECTION I. TOTAL REVENUES**

General Fund	\$ 3,638,406
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Scholarship Fund	\$ 37,700
Fire & Rescue Special Revenue Fund	\$ 521,600
Recreation Special Revenue Fund	\$ 613,930
Cemetery Fund	\$ 41,200
Water Enterprise Fund	\$ 1,405,000
Sewer Enterprise Fund	\$ 972,645
Capital Projects Fund	\$ 621,105
Sanitation Enterprise Fund	\$ 676,847
Electric Enterprise Fund	<u>\$ 4,490,882</u>
 Total Revenues	 \$13,019,315

## **SECTION II. TOTAL EXPENDITURES**

General Fund	\$ 3,638,406
Scholarship Fund	\$ 37,700
Fire & Rescue Special Revenue Fund	\$ 521,600
Recreation Special Revenue Fund	\$ 613,930
Cemetery Fund	\$ 41,200
Water Enterprise Fund	\$ 1,405,000
Sewer Enterprise Fund	\$ 972,645
Capital Projects Fund	\$ 621,105
Sanitation Enterprise Fund	\$ 676,847
Electric Enterprise Fund	<u>\$ 4,490,882</u>
 Total Expenditures	 \$13,019,315

## **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 \$1,896,246,667 and an estimated collection rate of 98.3%.

An Ad Valorem tax rate of \$.010 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 2013. The approved annual budget for all funds, which shows line item detail, will be used for tracking revenue and expenditures.

**ATTEST:**

**APPROVED:**

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Robert A. Frye, Jr., Town Manager

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David Wilkes, Mayor

Upon all presentations, there were a few questions in regards to salary and overtime pay in several departments. Accounting Supervisor Chuck Young made note that the YTD Actuals were through February 29, 2012.

Mayor Pro Tempore Drake questioned the police vehicle take home policy which was addressed by Police Chief Harrell.

Commissioner Dotson wanted to verify that the buildings would be sufficiently tracked with the new department. Manager Frye affirmed it would be easier to track expenses.

**7. Adjournment**

As there were no further matters to come before the Board of Commissioners, Mayor Pro Tempore Drake moved to adjourn, which was seconded by Commissioner Dotson and upon unanimous vote, the Town Board adjourned at 3:52pm.

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David Wilkes  
Mayor

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Rebecca R. Shuler  
Town Clerk