

## **MINUTES OF SPECIAL MEETING HELD MAY 22, 2018**

**SPECIAL MEETING** The Granite Falls Town Council held a Special Meeting on Monday, May 22, 2018 at 5:30 p.m. in the Council Chambers of the Administrative Building.

**PRESENT** The following members of the governing body were present: Mayor Barry Hayes, Council Members Dr. Caryl B. Burns, Larry Knight, Jim Mackie, Mike Mackie, Martin Townsend and Tracy Townsend.

**ABSENT** The following member of the governing body was absent: None

**STAFF PRESENT** The following staff members attended the meeting: Town Manager Jerry Church, Town Clerk Paula Kirby, Town Planner Greg Wilson, Administrative Assistant Kara Calloway, and Police Chief Chris Jenkins.

**VISITORS** Hamilton Ward, John Corpening, Max McRary, Deb Chernesky, Joe and Lisa Owens, and Julia Baker.

**NEWS MEDIA** No news media attended the meeting.

**MEETING CALLED TO ORDER** Mayor Barry Hayes called the meeting to order and welcomed everyone present.

**INVOCATION** Reverend Dan Greene, Christian Fellowship Chapel, led in prayer.

**PLEDGE OF ALLEGIANCE** Mayor Barry Hayes led the Pledge of Allegiance.

**APPROVAL OF AGENDA** Mike Mackie made a motion the Council approve the agenda as presented. Martin Townsend seconded the motion, with a unanimous affirmative vote.

**MINUTES FROM THE SPECIAL TOWN COUNCIL MEETING HELD APRIL 30, 2018 AND MINUTES FROM THE SPECIAL BUDGET WORK SESSION HELD APRIL 30, 2018 APPROVED** Martin Townsend made a motion the Council approve the minutes from the Special Meeting and the Special Budget Work Session held April 30, 2018. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote.

**TOWN ATTORNEY REPORT** Town Attorney Bruce Cannon did not have a report.

**PUBLIC COMMENT PERIOD** No one registered to speak during the Public Comment Period.

### **PUBLIC HEARINGS**

#### **PUBLIC HEARING ON REZONING PETITION #1-2018 CALLED TO ORDER**

Mayor Barry Hayes called to order a public hearing on Rezoning Petition #1-2018 for property in the Town ETJ owned by Max McRary near the intersection of Highway 321 and Lower Cedar Valley Road. The Council called for the public hearing at the April 30, 2018 Council meeting following the presentation of the petition by Town Planner Greg Wilson.

The property is approximately 4.07 acres in size and is currently zoned R-20A, Residential. The request is to rezone the property from R-20A to H-B Highway Business. This request is consistent with the Granite Falls Horizons: Land Development Plan.

Notice of the public hearing was duly provided, as required by law, through direct mailed notice to adjacent property owners, posting of property and published in the *News Topic*.

**John Corpening speaks** John Corpening owns several adjacent properties to the subject property and was concerned that the rezoning may impact an existing access easement which crosses the McRary property. Town Planner Greg Wilson responded that the rezoning would not impact any existing easements. Town Attorney Bruce Cannon affirmed Mr. Wilson's response.

**PUBLIC HEARING ON REZONING PETITION #1-2018 CLOSED** Mayor Barry Hayes closed the public hearing on Rezoning Petition #1-2018.

**PUBLIC HEARING ON ZONING TEXT AMENDMENT #4-2018 CALLED TO ORDER** Mayor Barry Hayes called to order a public hearing on Zoning Text Amendment #4-2018. The Council called for the public hearing at the April 30, 2018 Council meeting following the presentation of the text amendment by Town Planner Greg Wilson.

Zoning Text Amendment #4-2018, submitted by Joe Owens, would expand the eligibility requirements for reduced front yard setbacks for detached canopies (carports) in the R-8 & R-8A Zoning Districts. The Planning Board voted unanimously to recommend that the Town Council approve Zoning Text Amendment #4-2018 as submitted.

Notice of the public hearing was duly provided in the *News Topic* as required by law.

No one registered to speak during the public hearing.

**PUBLIC HEARING ON ZONING TEXT AMENDMENT #4-2018 CLOSED** Mayor Barry Hayes closed the public hearing on Zoning Text Amendment #4-2018.

**NEW BUSINESS/ACTION ITEMS:**

**REZONING PETITION #1-2018 APPROVED** The Council considered Rezoning Petition #1-2018 for approximately 4.07 acres of property owned by Max McRary located in the Town ETJ near the intersection of Highway 321 and Lower Cedar Valley Road. The request was to rezone the property from R-20-A, Residential to H-B Highway Business.

Tracy Townsend made a motion the Council approve Rezoning Petition #1-2018, which the Granite Falls Town Council does hereby find and determine that the adoption of the ordinance rezoning the following described property is reasonable, in the public interest, and compatible with adjacent land uses. The Granite Falls Town Council further determines that the requested Zoning Map Amendment is consistent with the adopted Granite Falls Horizons: Land Development Plan, which identifies the property as industrial on the Future Land Use Map. Martin Townsend seconded the motion, with a unanimous affirmative vote. A copy of Rezoning Petition #1-2018 is attached and is hereby made a part of these minutes.

**REZONING ORDINANCE #338 APPROVED** The Council considered Rezoning Ordinance #338 for property in the Town ETJ owned by Max McRary near the intersection of Highway 321 and Lower Cedar Valley Road. The property is approximately 4.07 acres in size and the property was rezoned from R-20A, Residential to H-B Highway Business.

Dr. Caryl B. Burns made a motion the Council approve Ordinance #338 as presented. Mike Mackie seconded the motion, with a unanimous affirmative vote. A copy of Ordinance #338 is attached and is hereby made a part of these minutes.

**ZONING TEXT AMENDMENT #4-2018 APPROVED** The Council considered Zoning Text Amendment #4-2018. The Planning Board voted unanimously to recommend that the Town Council approve Zoning Text Amendment #4-2018 as submitted.

Martin Townsend made a motion the Council approve Zoning Text Amendment #4-2018, which the Granite Falls Town Council does hereby find and determine that the adoption thereof is consistent with the adopted Granite Falls Horizons: Land Development Plan because it advances a progressive and sound land use policy that will enable fair, effective, and efficient development while also adhering to development patterns identified in the Future Land Use Map.

It is determined that Zoning Text Amendment #4-2018 is both reasonable and in the public interest due to its consistency with the adopted Granite Falls Horizons: Land Development Plan.

Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote. A copy of Zoning Text Amendment #4-2018 is attached and is hereby made a part of these minutes.

**ORDINANCE #339 APPROVED** The Council considered Ordinance #339 amending the Town of Granite Falls Zoning Ordinance which expands the eligibility requirements for reduced front yards setbacks for detached canopies (carports) in the R-8 & R-8A Zoning Districts.

Tracy Townsend made a motion the Council approve Ordinance #339 as presented. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote. A copy of Ordinance #339 is attached and is hereby made a part of these minutes.

**COUNCIL MEETING SCHEDULE CHANGED** Mike Mackie made a motion the Council cancel the regular Town Council Meetings scheduled for Monday, June 4, 2018 at 6:00 p.m. and Monday, June 18, 2018 at 6:00 p.m. and call for a Special Town Council Meeting on Monday, June 18, 2018 at 5:30 p.m. Larry Knight seconded the motion, with a unanimous affirmative vote.

**PUBLIC HEARING CALLED ON REZONING PETITION #2-2018 – Property Between the Shoppes at Rivercrest and River Bend Drive** Town Planner Greg Wilson reviewed with the Council the Granite Falls Planning Board meeting held Tuesday, May 15, 2018 where they reviewed Rezoning Petition #2-2018. Spartan Holdings, LLC submitted a Rezoning Petition for property owned by Watson Place, LLC, located on River Bend Drive between the Shoppes at Rivercrest and the River Bend neighborhood. The property is approximately 62 acres in size, but the petition is to rezone approximately 47 acres of the 62-acre property. The property is currently vacant and is zoned H-B, Highway Business and the request is to rezone the 47-acre portion of the property to R-8, Medium-High Density Residential District. The H-B District allows for commercial uses, but not for multi-family residential uses. The R-8 District allows for multi-family residential uses but does not allow any commercial uses.

The Planning Board voted unanimously to recommend that the Town Council approve the Petition for Rezoning #2-2018 as submitted, contingent upon subdivision of the property as shown.

Tracy Townsend made a motion the Council call for a public hearing at the Special Town Council Meeting scheduled for Monday, June 18, 2018 at 5:30 p.m. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote. A copy of Rezoning Petition #2-2018 is attached and is hereby made a part of these minutes.

**ANNUAL REVIEW OF TOWN OF GRANITE FALLS INTERNAL CONTROL POLICY APPROVED** The Council reviewed the Town of Granite Falls Internal Control Policy. The purpose of the Internal Control Policy is to document how Town management has fulfilled their responsibility for implementing and maintaining a sound and comprehensive internal control framework. Internal Control policies help identify and address areas of risk of fraud, waste abuse and mismanagement. The Internal Control Policy can also be used as a training tool for new and existing employees in administrative and supervisory roles with the Town. The Internal Control Policy is a “living document” that

must be reviewed and updated throughout the year as changes are made to NC General Statutes, Governmental Accounting Standards and in Town Staff and their assigned duties. The Town Council reviews and approves the Internal Control Policy on an annual basis. There have been no changes made to the Internal Control Policy since the Council review in 2017.

Martin Townsend made a motion the Council approve the Town of Granite Falls Internal Control Policy as presented and authorize the Town Manager to update the policy as needed. Mike Mackie seconded the motion, with a unanimous affirmative vote. A copy of the policy is attached and is hereby made a part of these minutes.

**ANNUAL REVIEW OF TOWN OF GRANITE FALLS PURCHASING POLICY APPROVED** The Council reviewed the Town of Granite Falls Purchasing Policy. The purpose of the Purchasing Policy is to document how Town management has fulfilled their responsibility to guarantee competitive and advantageous procurement of goods and services while maintaining compliance with Federal regulations and North Carolina General Statutes. The Purchasing Policy can also be used as a training tool for new and existing employees in administrative and supervisory roles with the Town. The Purchasing Policy is a “living document” that must be reviewed and updated throughout the year as changes are made to NC General Statutes, Governmental Accounting Standards and in Town Staff and their assigned duties. The Town Council reviews and approves the Purchasing Policy on an annual basis. There have been no changes made to the Purchasing Policy since the Council review in 2017.

Larry Knight made a motion the Council approve the Town of Granite Falls Purchasing Policy as presented and authorize the Town Manager to update the policy as needed. Mike Mackie seconded the motion, with a unanimous affirmative vote. A copy of the policy is attached and is hereby made a part of these minutes.

**ANNUAL REVIEW OF THE TOWN OF GRANITE FALLS ETHICS POLICY FOR ELECTED OFFICIALS AND THE TOWN OF GRANITE FALLS CONFLICTS OF INTEREST POLICY FOR ELECTED OFFICIALS, APPOINTED OFFICIALS AND TOWN EMPLOYEES VERIFIED** The Council approved an Ethics Policy for Elected Officials on November 2, 2009 and a Conflicts of Interest Policy for elected and appointed officials and employees on July 10, 2010. While there have been no violations of either policy since their respective approvals and all elected officials have completed all required ethics training in a timely manner, it is good governance to review these policies periodically.

After reviewing the Town of Granite Falls Ethics Policy for Elected Officials and the Town of Granite Falls Conflicts of Interest Policy, Dr. Caryl B. Burns made a motion the Council verify that all Council members have read and understand these policies. Martin Townsend seconded the motion, with a unanimous affirmative vote. A copy of the policy is attached and is hereby made a part of these minutes.

**RESOLUTION ADOPTING AMENDED TOWN OF GRANITE FALLS PERSONNEL POLICY APPROVED**

On Monday, May 4, 2015, the Town Council approved a resolution adopting the Town of Granite Falls Personnel Policy. The resolution allowed the Town Manager to reformat the Personnel Policy for stylistic, typographical, and other formatting changes to the Policy without Council approval, but the Council must approve all substantive changes to the Policy. The Town Manager proposed the following changes to the Policy:

- A) **ARTICLE I. GENERAL PROVISIONS.** Section 10. Compliance with Laws and Regulations. This is a new provision on page 8 of the Policy and requires employees to comply with local, state, and federal laws and regulations.
- B) **ARTICLE I. GENERAL PROVISIONS.** Section 11. Payment of Taxes When Due. This is a new provision on page 9 of the Policy and requires Town employees to pay local, state, and federal taxes when due.
- C) **ARTICLE IV. RECRUITMENT AND EMPLOYMENT.** Section 3. Recruitment, Selection and Employment. This is a change on page 19 of the Policy and changes the requirement to run newspaper advertisements for all job openings to only run newspaper advertisements for job openings for full-time regular employees.

Town Attorney Bruce Cannon reviewed and approved the proposed changes to the Town Personnel Policy. The Council was presented a resolution adopting the revised Personnel Policy, the pages of the Personnel Policy that changed, and a complete clean copy of the Personnel Policy. If the Council approves the amended Personnel Policy, the changes to the Policy will be provided in writing to all Town employees.

Tracy Townsend made a motion the Council approve the Resolution adopting the new Town of Granite Falls Personnel Policy with an effective date of May 22, 2018. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote.

**FINANCIAL REPORT** The financial dashboard for the ten months ended 4/30/2018 was presented for the Council's review and comment. This report represents 83% of the current 2017-2018 fiscal year budget. Also presented for the Council's review was an analysis of 2017-2018 sales tax revenue and property tax revenue versus prior year and budgeted revenues. Copies of these reports are attached and are hereby made a part of these minutes.

**BUDGET AMENDMENT #12 FY 2017-2018 APPROVED** Finance Officer Marsha Harbison requested that the Council approve Budget Amendment #2018-12 for the NC League of Municipalities 50/50 Safety Grant which covers half the cost of three gas detectors and two inflatable lighthouses for the Granite Falls Fire Department. The 50% Town required match for this grant has been budgeted in Fire Department Capital Outlay.

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| Increase General Fund Miscellaneous Grants | \$4,655.00 |
| Increase Fire Department Capital Outlay    | \$4,655.00 |

Jim Mackie made a motion the Council approve Budget Amendment #12 FY 2017-2018 as requested. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote.

**BUDGET AMENDMENT #13 FY 2017-2018 APPROVED** Finance Officer Marsha Harbison requested that the Council approve Budget Amendment #2018-13 to use NC Unauthorized Substance Tax Fund Balance to purchase two laptops for the Granite Falls Police Department.

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| Increase General Fund Balance Appropriation, Unauthorized Substance Tax | \$1,158.00 |
| Increase Police Department State Drug Tax Expense                       | \$1,158.00 |

Martin Townsend made a motion the Council approve Budget Amendment #13 FY 2017-2018 as requested. Mike Mackie seconded the motion, with a unanimous affirmative vote.

**BUDGET AMENDMENT #14 FY 2017-2018 APPROVED** Town Manager Jerry Church requested that the Council approve Budget Amendment #2018-14 to reallocate approved budgeted funds between General Fund Departments.

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| Increase Police Department Maintenance & Repairs Building & Grounds     | \$18,000.00 |
| Increase Police Department Capital Outlay                               | \$18,500.00 |
| Increase Fire Department Capital Outlay                                 | \$18,000.00 |
| Decrease Administrative Department Capital Outlay                       | \$ 7,000.00 |
| Decrease Administrative Department Economic Development Expense         | \$11,000.00 |
| Decrease Street Department Capital Outlay                               | \$15,500.00 |
| Decrease Street Department Beautification Expense                       | \$ 3,000.00 |
| Decrease Recreation Department Maintenance & Repairs Building & Grounds | \$18,000.00 |

These funds will be used as follows:

Police Department – Interior and exterior painting, new awnings over the entrances to the PD, one new Taser and four new officer cameras, four radios for Patrol cars that don't currently have radios, upfitting one patrol car for prisoner transport, new handguns and rifles.

Fire Department – New drone, matching funds for the NCLM and NC Forest Service Grants.

These transfers will not have any negative impact on the operations of the Administrative, Street or Recreation Departments.

Jim Mackie made a motion the Council approve Budget Amendment #14 FY 2017-2018 as requested. Tracy Townsend seconded the motion, with a unanimous affirmative vote.

**BUDGET TRANSFER OF FUNDS TO CLOSE OUT GRANITE FALLS RECREATION DEPARTMENT PART F GRANT APPROVED** Finance Officer

Marsha Harbison requested that the Council approve a budget transfer to close out the Recreation Department Part F Grant project.

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| Increase General Fund Recreation Transfer Out   | \$127,566.06 |
| Decrease General Fund Recreation Capital Outlay | \$127,566.06 |

Tracy Townsend made a motion the Council approve the budget transfer as requested. Mike Mackie seconded the motion, with a unanimous affirmative vote.

**RESOLUTION OF DESIGNATION OF APPLICANT'S AGENT FOR THE NORTH CAROLINA DIVISION OF EMERGENCY MANAGEMENT APPROVED**

On October 23, 2017, the Town of Granite Falls was struck by severe storms that caused tremendous damage in the Town. To date, the Town has incurred hard dollar costs of \$25,810.11 in the General Fund, \$5,907.50 in the Water and Sewer Fund, and \$52,125.10 in the Electric Fund (Total hard dollar costs of \$83,842.71). The hard dollar costs in the Electric Fund do not include the costs of mutual aid the Town received from the City of Morganton or the City of High Point because these two cities haven't billed us yet. The severe storm event was not declared a federal disaster by FEMA but was declared a state disaster by SEMA. The main difference between a federal disaster and a state disaster is that the restoration of electric service is eligible for FEMA reimbursement, but these costs are not eligible for SEMA reimbursement under a state disaster. Soft dollar expenses, such as the use of internal labor costs and the costs of Town vehicles and equipment used in clean up operations for both FEMA and SEMA declared disasters are eligible for reimbursement. The SEMA reimbursement rate is 75% of eligible hard dollar and soft dollar costs. The Town has submitted a SEMA reimbursement request, for eligible hard dollar and soft dollar costs, for the General Fund for \$44,746, for the Water and Sewer Fund for \$7,424, and for the Electric Fund for \$14,477 for a total reimbursement request of \$66,655. For the Town to receive the SEMA reimbursement, the Council is required to approve a North Carolina Division of Emergency Management Resolution Designation of Applicant's Agent which designates Town employees, Town Manager Jerry Church or Finance Director Marsha Harbison, to execute and file applications for federal and/or state assistance on behalf of the Town.

Mike Mackie made a motion the Council approve the Resolution of Designation of Applicant's Agent for the North Carolina Division of Emergency Management as presented. Martin Townsend seconded the motion, with a unanimous affirmative vote. A copy of the resolution is attached and is hereby made a part of these minutes.

**RECOMMENDATIONS FOR COMMITTEES APPOINTED BY THE TOWN COUNCIL APPROVED**

The Council considered Staff recommendations for committees appointed by the Town Council. Three committee members are either ineligible to be reappointed, can't be reappointed, or have requested to continue to serve in a reduced role.



- 1) Planning Board Member Tim Hemphill is moving out of the area and Planning Board Alternate Board Member Michael Richard will fill Tim Hemphill's term which expires 06/30/2019. Elizabeth Carswell will be appointed as a Planning Board Alternate Member, replacing Michael Richard, and her term will expire 06/30/2021.
- 2) The term of Planning Board Member Jearline Ernest expires and she will not be reappointed due to health reasons. Planning Board Alternate Board Member Rob Howard will be appointed as a replacement and his term will expire 06/30/2021. John Coffey will be appointed as a Planning Board Alternate Member, replacing Rob Howard, and his term will expire 06/30/2020.
- 3) History Committee Co-Chairman Max McRary will continue to serve as a member of the History Committee but does not want to serve as Co-Chairman. Members of the History Committee have requested that Dr. Caryl B. Burns be appointed as Chairman and that Linda Richards Crowder be appointed as Vice-Chairman.

All other individuals serving on Council Appointed Boards and Committees, whose terms expire 06/30/2018, have been contacted and have expressed a desire to continue serving if they are reappointed by the Town Council.

Martin Townsend made a motion the Council appoint members to Town Council Appointed Committees as presented. Tracy Townsend seconded the motion, with a unanimous affirmative vote. A copy of the Committee list is attached and is hereby made a part of these minutes.

**APPLICATION TO NORTH CAROLINA DEPARTMENT OF PUBLIC SAFETY TO PARTICIPATE IN INMATE WORK RELEASE PROGRAM APPROVED**

The contract for the current inmate work release program ends effective June 30, 2018. Town staff recommends that the Council approve participation in the NC Department of Public Safety (DPS) inmate work release program for two inmates for fiscal 2019. As a reminder, each inmate works five eight-hour days, fifty-two weeks per year. The Town is required to pay upfront costs of \$260 per inmate per year and cover the inmates under the Town worker's compensation policy through the NCLM at a cost of \$740 per inmate per year. The DPS provides lunch for the prisoners and transportation to and from the prison unit; however, the Town has the option to transport the prisoners in situations where it is more efficient to do so. The DPS also provides free orientation training sessions for our employees that will supervise or work with the inmates. The total cost of the program for fiscal 2019 is approximately \$2,000 for two work release inmates if the DPS transports the prisoners or \$5,000 if the Town transports the prisoners.

Tracy Townsend made a motion the Council approve a contract between the Town and the NC DPS and authorize the Town Manager to execute the agreement with the NC DPS. Dr. Caryl B. Burns seconded the motion, with a unanimous affirmative vote. A copy of the contract is attaches and is hereby made a part of these minutes.

**STORMWATER AGREEMENT WITH CITY OF LENOIR APPROVED** The Council was requested to approve an agreement with the City of Lenoir to provide implementation of the Stormwater Plan for fiscal year 2018-2019 at a cost of \$10,734.89 which represents the Town's pro-rata share of the cost to administer the Stormwater Plan and is based on population and area. The cost of administering the plan for 2018-2019 is the same as the cost for 2017-2018. From July 1, 2009 through June 30, 2013, the City of Lenoir was reimbursed for administering the Stormwater Plan from the Caldwell County Economic Development Commission Sales Tax Reinvestment Fund. Effective July 1, 2013, the Sales Tax Reinvestment Fund no longer reimburses the City of Lenoir to administer the Stormwater Plan. This amount is a cheaper alternative than hiring an additional staff person or an engineering firm to administer the program.

Tracy Townsend made a motion the Council approve the agreement as requested and authorize Town Manager Jerry Church to execute the agreement on behalf of the Town. Martin Townsend seconded the motion, with a unanimous affirmative vote. A copy of the agreement is attached and is hereby made a part of these minutes.

**GOVERNING BODY RESOLUTION TO BECOME A MEMBER OF THE MUNICIPAL INSURANCE TRUST OF NORTH CAROLINA AND AN INTERLOCAL AGREEMENT FOR A GROUP SELF-INSURANCE POOL FOR BENEFIT RISK SHARING WITH THE NORTH CAROLINA LEAGUE OF MUNICIPALITIES (NCLM) APPROVED** Effective July 1, 2018, the Town will move the employee healthcare plan coverage from United Healthcare to coverage provided by the North Carolina League of Municipalities (NCLM) through the Municipal Insurance Trust of North Carolina. This move will limit the fiscal 2019 premium increase to approximately 4% with a guarantee that premiums will not increase by more than 8% in fiscal 2020. The Town is required to approve a Governing Body Resolution to become a member of the Municipal Insurance Trust of North Carolina and approve an Interlocal Agreement for a Group Self-Insurance Pool for Benefit Risk Sharing with the NCLM.

Dr. Caryl B. Burns made a motion the Council approve the Governing Body Resolution and Interlocal Agreement as presented and authorize the Town Manager to execute any additional documents required to obtain employee health care plan coverage with the NCLM. Larry Knight seconded the motion, with a unanimous affirmative vote. Copies of the resolution and agreement are attached and are hereby made a part of these minutes.

**PROPOSED ABC BUDGET FOR FISCAL YEAR 2018-2019 ACCEPTED** Under N.C.G.S. 18B-702, effective for fiscal years starting after May 1, 2011, each local ABC Board must operate under a balanced budget and the proposed budget must be presented to the local ABC Board, the appointing authority (Granite Falls Town Council) and the NC ABC Commission before June 1<sup>st</sup> of each year. The budget must be adopted by the local ABC Board at a meeting held after June 1<sup>st</sup> each year and the budget approved by the local board must be submitted to the appointing authority and to the NC ABC Commission. The Council will receive the approved budget at the June 18, 2018 Special Meeting. The Council

is not required to take any action on this budget, but the presentations of the proposed and approved budgets must be reflected in the Council meeting minutes.

Tracy Townsend made a motion the Council accept the proposed budget as presented. Jim Mackie seconded the motion, with a unanimous affirmative vote. A copy of the proposed budget is attached and is hereby made a part of these minutes.

**BUDGET FISCAL YEAR 2018-2019 PRESENTED** Town Manager and Budget Officer Jerry Church presented the proposed budget for fiscal year 2018-2019, for \$14,458,000 including the required budget message. The budget is the “blueprint” used to provide a sound financial framework for all Town operations. The budget ensures that the Town’s limited resources are allocated toward the services and priorities identified by the Council. More specifically, the budget is a financial plan consisting of proposed expenditures and the means of financing those expenditures through revenues for a given period, usually one year (July 1-June 30). The recommended budget for fiscal year 2018-2019 is \$53,565 or .37% less than the 2017-2018 amended budget of \$14,511,565. The main increases in the 2018-2019 budget are due to an increase in capital outlay (\$295,439), an increase in maintenance and repairs to equipment, buildings, and grounds (\$251,000), the implementation of Phase IV of the MAPS Group Pay and Classification Study and other personnel costs (\$231,700), an increase in service and maintenance contracts (\$28,900) and an increase in the cost of general and auto insurance (\$25,200). The anticipated increases in the 2018-2019 budget will be more than offset by decreases in the budget for non-recurring Building Reuse Grants (\$493,204), a reduction in wholesale electric rates from NCMPA1 (\$247,300), and a reduction of Powell Bill expenditures (\$149,000). The Town Manager has had numerous meetings with department heads and the Council in preparation of the proposed budget.

Tracy Townsend made a motion the Council call for a public hearing on the proposed fiscal year 2018-2019 budget at the Special Council Meeting scheduled for Monday, June 18, 2018, at 5:30 p.m. Martin Townsend seconded the motion, with a unanimous affirmative vote. A copy of the proposed budget is on file with the Town Clerk at the Administrative Office for public view.

**MANAGER UPDATE** Town Manager Jerry Church updated the council on the following:

1. Enclosed with the Council’s agenda package was a calendar of events through the end of June 2019. Revisions since the last calendar were highlighted in gray. Upcoming events include the Art in the Park concert on Monday, May 21<sup>st</sup> at 6:30 p.m. on the Town Square, the Memorial Day Holiday on Monday, May 29<sup>th</sup>, the Special Town Council Meeting on Monday, June 18, 2018 at 5:30 p.m. and the employee appreciation luncheon on Friday, June 22, 2018 at 11:00 a.m. at the Recreation Center. The ElectriCities Annual Conference will be held August 20-22, 2018 in Asheville, NC. Please see Town Clerk Paula Kirby about registering for this event.

Note: Members of the Town Council may attend events that are, or are not, sponsored by the Town but there will be no Council business conducted at any of these events in instances where a quorum of the Council may be present.

**MEETING ADJOURNED** Tracy Townsend made a motion the Council adjourn the meeting. Mike Mackie seconded the motion, with a unanimous affirmative vote.