

**MINUTES OF A REGULAR MEETING
OF THE TOWN COUNCIL OF THE
TOWN OF LAUREL PARK, N.C.
JUNE 21, 2011
9:30 A.M.**

The Laurel Park Town Council held its regular meeting in the Laurel Park Town Hall on May 17, 2011 at 9:30 a.m. The following members were present: Mayor Henry T. Johnson, Commissioners Dona M. Mennella, Robert O. Vickery and Richard P. Cooke. Town Manager Jim Ball was also present. Commissioner J. Carey O'Cain was absent.

Mayor Johnson opened the regular meeting and led the Pledge of Allegiance.

APPROVAL OF AGENDA

Mayor Johnson asked for any additions and/or deletions to the agenda. Mayor Johnson asked for discussion; there was none. The vote was unanimous in favor of the motion.

APPROVAL OF THE CONSENT AGENDA

- a) Minutes from the May 17, 2011, Council Regular Meeting
- b) Minutes from the May 17, 2011, Closed Session
- c) Minutes from the June 16, 2011 Council Work Session
- d) Minutes from the June 16, 2011 Closed Session

Commissioner Cooke moved to approve the Consent Agenda. Mayor Johnson asked for discussion; there was none. The vote was unanimous in favor of the motion.

PUBLIC HEARINGS

FY 2011-2012 BUDGET ORDINANCE PURSUANT G.S. 159-12

Commissioner Mennella moved to open the public hearing. Mayor Johnson opened the public hearing for the purpose of receiving public comments on the FY 2011-2012 Budget Ordinance Pursuant G.S. 159-12.

Mayor Johnson gave the following presentation of the FY 2011-2012 Budget Ordinance, Pursuant to G.S. 159-12:

"General Fund: The general fund budget proposed for the fiscal year starting July 1st is \$1,912,100, an increase of \$27,000 or 1.43% compared to the current year's adopted budget. The budget is based on an ad valorem tax rate on property of 36 cents per \$100.00, which is a 5 cent increase from the FY 2010-2011 ad valorem tax rate of 31 cents per \$100.00 valuation.

Factors impacting the coming year's budget:

- a. This is a re-evaluation year in Henderson County; real property values within Laurel Park reflect an approximate 14.4% overall decrease. As one would expect, since this is an overall average, some property values decreased more than the average, some property values decreased less than the average, and some property values actually reflected an increase in value.

The 2003 General Assembly enacted S.L. 2003-264, which added subsection (e) to G.S. 159-11. This amendment requires each taxing unit to publish a revenue-neutral tax rate for comparison purposes as part of its budget for the fiscal year following re-evaluation of real property. Using the formula mandated by state law, the revenue-neutral tax rate for Laurel Park would be 36.7 cents.

- b. Major expenses budgeted for the Town in the upcoming year include:
 - \$280,000 for fire, rescue, and emergency medical services provided by Valley Hill Fire and Rescue, which is no change from the current year.
 - \$146,000 for sanitation or trash collection services provided by GDS, which is a \$2,000 dollar increase from the current year.
 - \$100,000 for street resurfacing, snow removal, storm water management, and general road maintenance. The Town does receive slightly over \$90,000 from Powell Bill funds through the state to assist in offsetting these costs.

- c. Other factors affecting the upcoming year:
 - The Town health insurance premiums will increase by 4.9%.
 - The Town property liability insurance premiums and workers compensation insurance premiums have remained stable.
 - The overall basic payroll for the Town will increase by a little over 2%.
- d. Major capital improvements budgeted for the coming year include:
 - \$17,000 to replace a police vehicle.
 - \$20,000 to replace the Town's 1986 hydro-mower.

Water Fund: The water fund is a self-sustaining enterprise fund, and the water fund budget for FY 2011-2012 is \$296,300, which is a \$14,800 or 5.3% increase from the current year's budget. The Town purchases water from the City of Hendersonville. Currently, there are no projected changes in the water rates for this budget year.

Sewer Fund: The sewer fund budget for FY 2011-2012 is \$76,000, which is \$7,000 or 8.45% lower than the current year's budget. Within Laurel Park, the majority of the sewer lines are owned and maintained by the City of Hendersonville, which sets the sewer rates based on metered water consumption, not sewer flow volume. There are no projected changes in the sewer rates for this budget year.

In summary:

- Laurel Park has no debt.
- The financial health of the Town is stable. Upon executing the budget proposed today, we anticipate the unrestricted general fund balance on June 30, 2012 will be approximately \$763,160 or about 39.91% of the annual operating budget. The average fund balance for Towns our size across the State is slightly more than 66%. In both our water and sewer enterprise funds, comfortable fund balances exist.
- We have developed solid, long-range planning for the Town. At the same time, your Town Council will closely monitor the economy and its impact on our state and community. We will continue to watch our budget execution very closely, not only this year, but in the coming years. We are committed to the continued financial health of the Town and exemplary service to our residents."

Mayor Johnson asked for discussion; there was none. There being no further business, Commissioner Cooke moved to close the public hearing. The vote was unanimous in favor of the motion.

OLD BUSINESS

CONSIDERATION, FY 2011-2012 BUDGET ORDINANCE

Commissioner Mennella moved to approve the FY 2011-2012 Budget Ordinance. Mayor Johnson asked for discussion; there was none. The vote was unanimous in favor of the motion.

Mayor Johnson stated a copy of the FY 2011-2012 Budget Ordinance and all supporting documentation would be available for public inspection in the Town office during normal hours of operation following the Town meeting.

NEW BUSINESS

CONSIDERATION, FY 2010-2011 BUDGET ORDINANCE AMENDMENT #2

Mayor Johnson stated the action taken would adopt the FY 2010-2011 Budget Ordinance Amendment #2. The General Statutes allow local governments to amend their budget during the fiscal year to meet unforeseen

revenue or expenditure forecasts as long as the budget was balanced. He stated the amendment redistributed funds within the general fund to cover unforeseen costs within the Police Department.

Commissioner Cooke moved to approve the FY 2010-2011 Budget Ordinance Amendment #2. Mayor Johnson asked for discussion; there was none. The vote was unanimous in favor of the motion.

CONSIDERATION, TOWN ATTORNEY CONTRACT

Mayor Johnson stated that, in early May, the Town attorney resigned for personal reasons. The Council undertook the task of finding a replacement. He stated that Council had established an attorney search committee consisting of Commissioner Richard Cooke, Commissioner Cary O'Cain, and Chief Don Fisher. The committee recommended Monica Gillett Stallings to Council during the Agenda Work Session held on June 16, 2011.

Commissioner Vickery moved to approve the Town Attorney Contract with Monica Gillett Stallings. Mayor Johnson stated the proposed contract would be effective July 1, 2011 and asked for discussion; there was none. The vote was unanimous in favor of the motion. Mayor Johnson thanked the attorney search committee for their work.

TOWN MANAGER'S REPORT – Mr. Ball had no comments.

Chief Fisher gave the following police statistics for the month of May: 5 arrests, 7 accidents, 29 citations, 1,037 area security checks and 691 residence checks for a total of 2,442 service events for the month.

OTHER ITEMS TO BE BROUGHT BEFORE THE TOWN COUNCIL

There were none.

MAYOR AND COMMISSIONER'S COMMENTS

MAYOR JOHNSON – Mayor Johnson had no comments.

COMMISSIONER MENNELLA – Commissioner Mennella had no comments.

COMMISSIONER COOKE – Commissioner Cooke had no comments.

COMMISSIONER VICKERY – Commissioner Vickery had no comments.

There being no further business, Commissioner Vickery moved to adjourn the Regular Meeting. Mayor Johnson asked for discussion; there was none. The vote was unanimous in favor of the motion.

Attest:

Henry T. Johnson, Mayor

Kimberly B. Hensley, CMC
Town Clerk

Date